

# India-China Relations

[UPSC Notes]

## History of India-China Relations

In 2020, India-China Relations celebrated its 70th anniversary of establishing diplomatic relations. To understand India-China Relations in detail, we must first understand the chronology of events that took place in the backdrop.

### 1950

- Starting of India-China diplomatic relations on 1st April 1950.
- The establishment of the relationship gave rise to the catchphrase 'Hindi Chini Bhai Bhai'

### India-China Relations 1954

- The two countries jointly advocated the world-famous five principles of peaceful coexistence, i.e., mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence, that laid a new foundation for India-China relations.
- In June, Chinese Premier Zhou Enlai visited India, followed by Indian Prime Minister Jawaharlal Nehru's visit in October.

### 1955

- India and China attended the Asian-African Conference, held at Bandung, Indonesia, and jointly advocated the Bandung Spirit of solidarity, friendship, and cooperation. A total of 29 countries participated in this conference.
- The Asian-African Conference led to the decolonization of the whole of Asia and Africa and the formation of a Non-Aligned Movement as the third way between the 'Two Blocs of Superpowers'.

### 1961

- The first NAM Summit Conference occurred in Belgrade, Yugoslavia, in September 1961.

### India-China Relations 1962

- The 1962 border conflict had a huge impact on India-China relations. India and China did not break off their diplomatic relations, but both sides withdrew their ambassadors and closed the Consulate General.
- Both the countries suspended all kinds of exchanges such as economic, cultural, non-governmental, etc.

### 1976

- India and China resumed the exchange of ambassadors, and bilateral ties improved gradually.

### 1977

- India-China resumed direct trade and exchange of personnel.

### 1979

- The then Indian External Affairs Minister, Atal Bihari Vajpayee, made a path-breaking visit to China, which led to the renewal of contacts at the highest political level after two decades.

#### 1988

- Indian Prime Minister Rajiv Gandhi made an epoch-making visit to China in December.
- India and China signed two crucial agreements to establish a Joint Working Group (JWG) and a Joint Economic Group (JEG), and agreed to expand and develop bilateral relations in all fields.

#### India - China Relations 1991

- Chinese Premier Li Peng visited India and resumed the exchange of high-level visits between India and China that had been interrupted.

#### 1992

- Indian President Venkat Raman visited China, which was the first visit of any Indian President to China since independence.

#### India-China Relations 1993

- Indian Prime Minister Narasimha Rao visited China in September.
- He signed the Agreement on the Maintenance of Peace and Tranquillity along the Line of Actual Control (LAC) on the India-China Border Areas.

#### 1996

- Chinese President Jiang Zemin visited India. He was the first head of state from China to visit India since establishing bilateral ties.
- Both sides agreed on building a "constructive and cooperative partnership for the 21st century."

#### 2000

- Indian President K. R. Narayanan visited China on the 50th anniversary of establishing diplomatic ties between India and China.

#### 2002

- Chinese Premier Zhu Rongji's visited India in January.
- India-China signed a series of documents on bilateral cooperation.

#### India-China Relations 2003

- India Prime Minister Atal Behari Vajpayee visited China in June. Several agreements were signed between the countries, later regarded as a turning point in India-China history. Both sides decided not to view each other as threats.
- A border Trade Agreement was signed between the two countries, and both decided to appoint their respective Special Representatives (SRs) to explore a solution to the border issue under the framework of a boundary settlement.

#### 2005

- Chinese Premier Wen Jiabao visited India and signed a joint statement announcing establishing a strategic partnership for peace and prosperity between India and China.
- The meeting was termed the 'handshake of two Asian giants'.

#### 2008

- Prime Minister Dr. Manmohan Singh paid his first official bilateral visit to China in January.
- During the visit, a joint document entitled 'A Shared Vision for the 21st Century' was issued to expedite the process of cooperation in various fields, especially in economy and business.

#### India-China Relations 2010

- India-China celebrated the 60th anniversary of the establishment of diplomatic ties.
- In December, the two countries issued a Joint Communiqué.

**2011**

- India-China held a series of people-to-people and cultural exchange activities and signed a memorandum on a joint compilation for the 'Encyclopedia of India-China Cultural Contacts'.
- The year was declared the India-China Exchange Year.

**2012**

- The head of the governments met each other on the sidelines of the 4th BRICS Summit and the United Nations Conference on Sustainable Development.
- The year was declared the Year of China-India Friendship and Cooperation.

**India-China Relations 2013**

- Chinese Premier Li Keqiang visited India, resulting in the signing of eight agreements, including the one on establishing Chinese industrial parks across India for the first time, augmenting Chinese investments in India, and promoting India's manufacturing sector.
- In October, Prime Minister Dr. Manmohan Singh paid his second official visit to China, and nine agreements, including the Border Defence Cooperation Agreement (BDCA) and one on strengthening cooperation on trans-border rivers, were signed.

**2014**

- The year was declared the 'Year of Friendly Exchanges between India and China'
- Chinese President Xi Jinping visited India, and sixteen agreements were signed in various areas, including commerce & trade, pharmaceuticals, audio-visual co-production, railways, space cooperation, culture, the establishment of industrial parks, sister-city arrangements, etc.

**2015**

- India-China met on the sidelines of the 7th BRICS Summit in Ufa, Russia, and the Leaders' Meetings on East Asia Cooperation in Malaysia.
- China decided to open the Nathu La Pass in Sikkim to Indian official pilgrims to Kailash Mansarovar (Xizang).
- India celebrated the India Tourism Year in China.

**India-China Relations 2018**

- The first informal summit between Narendra Modi and Xi Jinping in April, at Wuhan.
- Indian Prime Minister visited China to attend the SCO Summit in Qingdao, and the two leaders met again on the sidelines of the 10th BRICS Summit and the G20 Summit in Buenos Aires.

**2019**

- In October, the India-China Informal Leadership Summit was held in Mamallapuram, India, and reaffirmed the Wuhan consensus.
- India-China met on the sidelines of the SCO Summit in Bishkek and the 11th BRICS Summit.

**India-China Relations 2020**

- The year was designated as the 'Year of India-China Cultural and People to People Exchanges'.
- Both countries marked the 70th anniversary of the establishment of diplomatic relations.
- Galwan Valley clash between Chinese and Indian armed forces represented a watershed in India's relations with China. It marked the end of a 45-year-long duration that saw no armed confrontation involving the loss of lives on the LAC.



## India-China Political Relations

India was one of the earliest countries, the second in the non-socialist world, and the first in South Asia to recognize the People's Republic of China (PRC). The Agreement on the Maintenance of Peace and Tranquility along the Line of Actual Control (LAC) on the India-China Border Areas was signed to bring stability and substance to bilateral ties. India-China bilateral relations have expanded and become diversified.

- A long history of peaceful cultural exchange is noticeable via a conscious political effort, as seen in the Panchsheel Treaty.
- During the visit of President Xi Jinping to India in September 2014, the two sides redefined the bilateral engagement as Closer Developmental Partnership.
- MoU was signed to facilitate exchanges between Indian states and Chinese provinces.
- India and China have also established a High-Level Dialogue Mechanism on Counter-Terrorism and Security.
- India and China have set up 20 Inter-parliamentary friendship groups.
- There are 50 dialogue mechanisms going on between India and China.

## India-China Cultural Relations

India and China shared deep cultural norms, primarily through Buddhism, which shaped both societies. India's famous Nobel Laureate Rabindranath Tagore took a leading role in the cultural exchange between India and China in modern times. Chinese philosopher Hu Shih once said that India conquered China culturally for 20 centuries without ever sending a soldier across its border, which symbolizes the rich history of cultural ties between the two civilizations.

- India and China have agreed on the co-production of movies.
- China was one of the co-sponsors of the UN resolution designating June 21 as the International Day of Yoga.
- The two countries have established pairs of sister cities and provinces. Examples are Fujian Province, Tamil Nadu State, Quanzhou City, and Chennai City.

## India-China Commercial and Economic Relations

China forms an integral part of the global supply chain, and India too is heavily dependent on Chinese imports. India-China trade went up to over \$67 billion in the first half of 2022. In 2019, the trade volume between China and India was \$92.68 billion. China accounted for over 5% of India's total exports in the financial year 2019-20 and more than 14% of imports. Both countries enjoy huge potential and broad economic and trade cooperation prospects.

The Silk Road was a major trade route between India and China during ancient times. China was involved in the opium trade with the East India Company, which exported opium grown in India.

- China expressed its intention to establish two Industrial Parks in India, enhancing Chinese investment in India.
- Trade and Economic relationships are shaped through various dialogue mechanisms, such as Joint Economic Group meetings and Strategic Economic Dialogues between the Vice Chairman of NITI Aayog and the Chairman of the National Development and Reform Commission of China.

## India-China Technological Relations

India and China have held Joint Research workshops on Science and Technology Innovation. India and China have enabled each other's rise as emerging technology powerhouses, and Chinese tech giants have invested billions of dollars into India's biggest startups. China's smartphone makers dominate the country's market. Indian companies have set up IT corridors in China. With its technological edge in electric vehicles and lithium batteries, China could make and sell more electric cars in India than any other manufacturer shortly.

Huawei's R&D center in Bengaluru is the largest in the world. Chinese manufacturer Haier has plants in Pune and Noida. Chinese smartphone maker Oppo has its 110-acre super-factory in Noida, employing 10,000 Indians. Whereas Shanghai tops the total investment from India and is home to IT majors, including TCS, Infosys, and NIIT. Zhejiang and Jiangsu are home to manufacturing units, including Dr. Reddy's Laboratories, Mahindra & Mahindra, Laxmi Machine Works, Tata Jaguar Land Rover, and Sundram Fasteners.

## India-China Defense Relations

Defense cooperation and military engagement between India and China are aspects of the complex mix of conflict and cooperation approaches to bilateral. Both the countries recognize the framework and postulates of what is called cooperative security. The two countries have also extended their strategic and military relations. China-India Hand-in-Hand Joint Anti-terrorists Training started in December 2008 at Belgaum in Karnataka. The joint military

exercise was carried out according to the Memorandum of Understanding for exchange and cooperation in the field of Defence signed in 2006 and listed in the annual exchange plan for 2008.

The third, fifth, and seventh editions of Hand-in-Hand were conducted in China in 2013, 2015, and 2018 respectively, while the fourth edition and sixth editions were held in India in 2014 and 2016. The eighth edition was held in India in 2019.

## India and China Border Dispute and Security Issues

Relations between India and China have been characterized by border disputes, resulting in the Sino-Indian War of 1962, the border clashes in Nathu La and Cho La in 1967, and the 1987 Sumdorong Chu standoff. But, since 2008, both countries have extended their strategic and military relations.

The India-China border dispute is an ongoing territorial dispute over the sovereignty of two relatively large and several smaller territories between India and China. Since 2013, border disputes have reemerged. The Indian and the Chinese army got engaged in a standoff at the Doklam plateau along the disputed Bhutan-China border. 2020, the Galwan Valley clash resulted in the death of 20 Indian soldiers and an undisclosed number of Chinese soldiers. The two major border dispute areas in the India-China border dispute include:

- Aksai Chin Region
- McMahon Line

## Brahmaputra Issue Between India-China

The Brahmaputra/Yarlung Tsangpo is a trans-Himalayan river originating in the Jima Yangzong glacier (Mansarovar Lake region) near Mount Kailash.

- It is also known as Siang/Dihang River in Arunachal Pradesh and Luit, Dilao in Assam. Over 56% of Brahmaputra/Yarlung Tsangpo flows in Chinese territory.
- The Yarlung Tsangpo enters India after passing the Great Bend, through Arunachal Pradesh, where it is known as Siang/Dihang, then onto Assam, where it is called the Brahmaputra, and thereafter to Bangladesh, where it is named Jamuna.
- The Brahmaputra gets mightier as it flows downstream because of the flow contribution of tributaries such as Dibang, Lohit, and Subansiri.
- China completed the Zangmu Dam (510 MW capacity) built on the upper reaches of the Brahmaputra in 2010. Three more dams at Dagu (640 MW), Jiacha (320 MW), and Jeixu are currently under construction.
- The work on Zam hydropower station, which will be the largest dam on the Brahmaputra, commenced in 2015.

Brahmaputra delta is home to 130 million people. In the 1990s, the length amid Dhubri and Sadiya in India was proclaimed National Waterway No.2 and used for freight carriage. India is also planning a multipurpose 10,000 MW hydropower project in Arunachal Pradesh on the river. Whereas China, has undertaken gigantic water diversion projects such as the South-North Water Transfer Project (SNWTP) to address its regional water distribution imbalance.

The construction of Dams over the Brahmaputra River in the Tibet region has raised concerns on the Indian side. The Brahmaputra agreement between China and India is a suboptimal

arrangement within broader bilateral relations. China has thus far agreed to share hydrological data on the Yarlung Tsangpo/Brahmaputra (YTB) during the monsoon season. Developmental imperatives and domestic politics influence the Indian approach to the YTB issue.

India tends to play the lower riparian card to gain sympathy from its domestic political constituencies, especially Assam and Arunachal Pradesh. Also, India needs to showcase its strength and firmness in negotiations with China on water rights, as it did in the case of the Doklam stand-off and in opposing the Belt and Road Initiative, rather than projecting itself as a victim.

## China's Debt-Trap Diplomacy

Brahma Chellaney coined the term in 2017. China's Debt-Trap diplomacy refers to the predatory lending practices which overwhelm poor countries with unsustainable loans and force them to cede strategic leverage to China. China leverages its state-sponsored loans to advance its trade and geopolitical interests aggressively.

Small Laos recently signed a 25-year concession agreement allowing a majority Chinese-owned company to control its national power grid, including electricity exports to neighboring countries, the latest to fall prey to China's debt-trap diplomacy.

India has not entered into any loan agreement directly with China. However, it has been the top borrower of the Asian Infrastructure Investment Bank (AIIB). Indian efforts towards joint India–Japan Asia–Africa Growth Corridor are aimed at checking China's One Belt One Road initiative, though it is no match for Belt and Road Initiative. India's involvement with QUAD aims to deter China's control over the South China sea and collectively reduce the trade imbalance with China.

## China's Belt and Road Initiative and its Implications for India

Belt and Road Initiative (BRI) or the One Belt One Road (OBOR) Initiative is one of the biggest projects China's President Xi Jinping started in 2013 to restore the ancient Silk Route, which connected Asia and Europe. It is a global infrastructure development strategy by China. The BRI serves as pushback against the much-touted U.S. 'pivot to Asia'.

BRI project includes building a big network of roadways, railways, maritime ports, power grids, oil and gas pipelines, and linked infrastructure projects. The project covers two parts- the Silk Road Economic Belt, which is mainly land-based and is expected to connect China with Central Asia, Eastern Europe, and Western Europe. And Secondly, the 21st Century Maritime Silk Road, which is sea-based and is expected to will China's southern coast to the Mediterranean Sea, Africa, South-East Asia, and Central Asia.

India opposes the BRI as it does not offer a level playing ground to the country's businesses and has boycotted 2 BRI summits. India opposes the BRI because the China-Pakistan Economic Corridor (CPEC) passes through PoK, which means technically Indian territory but buildings, dams, and roads are there without India's consent. China is also using the BRI to build influence in the Indian ocean. China has ports in Sri Lanka (Hambantota port) and has invested in infrastructure in Myanmar, Maldives, and Malaysia.

- India must seek help from partners like Japan when necessary to build and upgrade its infrastructure and create an alternative to Chinese-led connectivity corridors and infrastructure projects.
- With a collaboration like QUAD, India can somewhat deter Chinese aggression in South East Asia. India must also invest in and develop its strategic assets like the Andaman and Nicobar Islands, to project power across the Indian Ocean, and maintain bilateral collaboration with countries like Russia and Japan, while also remaining engaged with entities like BIMSTEC and the Bay of Bengal community, where China is not a member.



## China's Maritime Strategy and Implications for India

China's maritime ambitions span beyond sea-borne commerce to seek great power status globally. China's expanding diplomatic relations with countries of the Indian Ocean and its modernizing naval capabilities, together reflected by its 'String of Pearls' strategy, allay international fears. China's recent strategic maneuvers in and around the Indian Ocean threaten India's economic and security interests.

- With the modernization of the Chittagong naval port in Bangladesh, China intends to deter the movement of the Indian navy in the Bay of Bengal. China is also apparently planning to develop a submarine base at Marao in the Maldives to counter the Indian navy's southern command.
- As part of China's naval strategy to encircle India, Beijing is building many bases around India in Pakistan, Sri Lanka, Maldives, Myanmar, and Bangladesh.

- China's Sanya naval base in the South China Sea, an underground nuclear submarine base, is about 1,200 nautical miles from the strategic Malacca Strait and the nearest naval base to India.
- With the Gwadar naval base construction in Pakistan (400 km east of the Strait of Hormuz), China plans to restrict the movement of the Indian Navy in the Arabian Sea. The strategically important Gwadar will also reinforce Pakistan's Karachi naval base against India.
- In Sri Lanka, China is said to be developing Hambantota port to provide extensive bunkering facilities to its submarines and warships.
- China is also in the process of upgrading its surveillance capabilities at the Great Coco Islands in Myanmar, besides constructing two helipads and storage space for weapons.
- A Chinese electronic intelligence unit at the Coco Islands tracks India's missile launch facilities on the eastern sea coast at Chandipur in Orissa, besides intercepting classified communications emerging from India's first tri-services command at the Andaman and Nicobar.

## India-China Relations: Way Forward

India-China should properly handle the historical and practical problems in the bilateral relations and care for each other's concerns while increasing trust and dispelling doubts. It is crucial for the two countries not to sharpen rhetoric against each other and look for a pragmatic solution to the existing problems between the two countries. The onus lies on India and China to maintain stability in South Asia, which is beneficial for the people of the whole world and the common people of India and China in particular. India-China should stick to the ethics of the Panchsheel (Five Principles of Peaceful Coexistence) and must strengthen coordination on international and regional affairs through more regular and high-level political engagement. India-China should carry forward the spirit of good neighborliness, friendship, unity, and cooperation.