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China-India ‘Éntente’: New Priorities

A modicum of convergence of concerns as two rising economic and political powers defines the current China-India engagement. This does not necessarily translate into a confluence of the long-term strategic national interests of these two neighbours. So, the durability of Beijing’s latest charm-diplomacy towards Delhi, as evident during the Chinese Foreign Minister’s visit to India in August 2016, will be acutely tested. Both countries are playing for higher stakes in a potential ‘Asian century’.

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Diplomats, like children, should be seen and not heard in the public domain – such a dismissive opinion was often expressed decades ago. It was widely believed that a sovereign state should go by the actual deeds and not the words of other countries. This perception is not the defining norm of today’s post-modern diplomacy. Indeed public diplomacy has come to occupy a niche position in the current globalised world. Countries often signal political and strategic messages through televised sound-bites uttered in the public sphere. Another emerging reality is equally important. Watchful citizens possess the means of holding diplomats and political leaders to account over their words in this cyber-age of digital communications and social media.

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In this refreshing perspective, the latest visit to Goa and New Delhi by Chinese Foreign Minister Wang Yi has brought into sharp focus new nuances and priorities for the complicated China-India ‘*entente*’. China’s latest charm-diplomacy towards India is not without precedent in their often-chequered engagement. Twice before – in the early-1990s and the early-2000s, ‘crisis’-hit Beijing had sought to befriend India. On each of those occasions, the Chinese authorities certainly did not project their initiative towards India as an action impelled by a ‘crisis’ on their hands. The finer details of China’s earlier charm offensives will be later outlined briefly. First, the context in which the Chinese authorities have acted now, under the shadow of their latest unacknowledged ‘crisis’, lent an unusual sense of diplomatic urgency to Mr Wang Yi’s visit to India from 12 to 14 August 2016.

The G20-BRICS Summit Sequence

Mr Wang Yi met India’s Prime Minister Narendra Modi and External Affairs Minister Sushma Swaraj, besides Goa’s Chief Minister, to cement Sino-Indian “strategic partnership” ahead of two major international economic summits. China will host the Group of Twenty (G20) summit, which will bring together the leaders of 20 established and emerging economic powers, in Hangzhou in September 2016. A month later, India will host the BRICS summit – a meeting among the leaders of Brazil, Russia, India, China, and South Africa – in Goa.

No perspicacity is required to infer that a fresh ‘crisis’, not acknowledged by the Chinese authorities as a challenge, has brought them closer to India now. On 12 July, the Permanent Court of Arbitration issued an award that went totally against Beijing in its dispute with the Philippines over access to the blue-economy resources in a segment of the South China Sea.² For reasons outside the scope of this paper, Beijing had refused to participate in the hearings in that case that was unilaterally initiated by the Philippines. Finally, Beijing rejected the ‘binding award’, dismissing it as being null and void under the United Nations Convention on the Law of the Sea (UNCLOS). A message was conveyed that the award would make no negative difference to China, like the water on a duck’s back.³ However, the Chinese authorities, eager to make their country a global superpower, need to continue to demonstrate

² Details of the South China Sea arbitral award in July 2016 can be had from the website of the Permanent court of Arbitration.

³ China’s unwavering stand against the Philippines-initiated proceedings in the Permanent Court of Arbitration, and the arbitral award in July 2016 on the relevant South China Sea dispute, can be gleaned from numerous statements in Beijing’s public diplomacy on these issues over many months.

that international law will be safe in their hands, going forward. An opportunity to do so is close at hand, as China itself will host the G20 summit in September.

The G20 was at first a clearing house for ideas (not policies). It later turned into a platform from where to fight the fires of the worldwide financial crisis of 2008. Increasingly now, the G20 is seen to be better-placed to become a council for global economic governance. Such an emerging prospect flows from the composition of this collective forum. It consists of not only the rich industrialised countries (the Group of Seven) but also the rising (or, emerging) economic powers such as China and India. Indeed, the BRICS, much like the G7, is a distinct constituent of the G20. Above all, as a matter of fortuitous timing for China, it will host the G20 summit, and, as an interlude, convene an informal meeting of the BRICS leaders, too. About a month later, India will host a formal BRICS summit and hold a BRICS-BIMSTEC outreach summit. BIMSTEC is a forum for technical and economic cooperation among the Bay of Bengal littoral states, spanning parts of South and Southeast Asia.

Surely, the sequencing of these summits was planned routinely ahead of the South China Sea arbitral award. But Beijing sees in this a chance to try and bounce back on the global stage as a responsible stakeholder with the right credentials for leadership. This is an urgent task for China, which is being seen in some quarters as a wilful outlier in the domain of the international law of the sea. In seizing this new moment in public diplomacy, Beijing has considered it wise to team up with India to “jointly” make a success of the G20- and the BRICS-summits.

This should not surprise the knowledgeable. Both China and India have a common but differentiated reason to sustain their credentials as responsible stakeholders on the global stage. Interestingly, at a meeting of the Nuclear Suppliers Group (NSG) in June, China had tactically blocked the entry of India as a new member by portraying it as an outlier in regard to the international law on nuclear non-proliferation. Surely, there are legitimate reasons for China’s partial opt-out from the UNCLOS and India’s total opt-out from the Nuclear Non-Proliferation Treaty (NPT).⁴ For the purposes of this paper, it is suffice to note that China and India have a chance now to burnish their respective international image, although the issues before these two summits are not explicitly linked to either the UNCLOS or the NPT. At the prospective

⁴ For details of China’s partial opt-out from the UNCLOS, and India’s total opt-out from the NPT, and related issues, read P S Suryanarayana, *China’s Stand on Arbitral Award: Nuances for India*, ISAS Insights No. 337 (27 July 2016), www.isas.nus.edu.sg. [Also, P S Suryanarayana, *Shadow-Boxing over Nuclear Supplies: A China-India Tussle for ‘Power’*, ISAS Insights No. 335 (28 June 2016), www.isas.nus.edu.sg]

G20 summit, there could be under-currents about the blue-economy resources with reference to the UNCLOS. And, at the upcoming Goa summit, there could be under-currents about India's NSG membership, as all other BRICS countries are NPT-signatories. It is of nuanced significance, therefore, that China desires to co-opt India over issues concerning the developing countries in the G20. Beijing will take over from India the rotating Chair of the BRICS forum. So, China is keen to join hands with India to make a success, too, of the prospective Goa summit.

Besides this multilateral context, Mr Wangi Yi's latest visit to India has brought to light purely bilateral nuances that could enhance the complex Sino-Indian 'entente'. Before focusing on these new bilateral nuances, it will be in order to briefly note the highlights of China's earlier charm-offensives towards India.

Precedents of China's Charm-Diplomacy

In the early-1990s, when China essayed its first charm-offensive towards India, Beijing was still grappling with its post-Tiananmen trauma.⁵ The Chinese authorities were isolated, especially from the US-led Western bloc, because of their fiery response to the 'pro-democracy' protestors at the Tiananmen Square in Beijing in June 1989. Unsurprisingly in that milieu, China signed a major confidence-building agreement (CBA) with India in 1993. The two sides conceptualised for the first time a reciprocal policy of peace and tranquillity along the un-demarcated Line of Actual Control in the disputed Sino-Indian border areas. China's then-President Jiang Zemin was expanding the India-related logic of the paramount leader Deng Xiaoping.

In 1988, Deng had invited India's then-Prime-Minister Rajiv Gandhi for talks to break the ice, a quarter century after the frosty Sino-Indian war of 1962. This was one strand of Deng's revision and reversal of many aspects of the domestic and foreign policies of Mao Zedong, founder of the People's Republic of China. For Jiang in 1993, India's then-Prime-Minister Narasimha Rao was also trying to reinvent the foreign policy of his country after its strategic anchor, the Soviet Union, had collapsed. His outreach to China marked the early stirrings of his 'Look East policy'. The Sino-Indian comfort zone of the mid-1990s was soon

⁵ The details of China's charm-diplomacy towards India in the early-1990s and the early-2000s are derived from various authoritative official documents and the author's conversations and interviews with Indian and Chinese diplomats over time.

overshadowed by the diplomatic fallout of India's testing of its indigenous nuclear weapons in 1998.

In the early-2000s, when China essayed its second charm-offensive towards India, Beijing was quickly coming to terms with India's emergence as a nuclear-armed rival. China had at first denounced India for its nuclear tests. Those test-detonations dramatically altered Asia's strategic landscape. Indeed, India's then-Prime-Minister Atal Behari Vajpayee identified China as the prime factor that prompted Delhi to give up its nuclear pacifism. Thereafter, for a variety of reasons not relevant to this paper, the 1999 Pakistan-India Kargil War ended in Delhi's favour. Pakistan had been China's "all-weather friend" for long. In those circumstances, China changed its attitude towards the nuclear-armed India and sought to improve their diplomatic engagement. As a result, two critical Sino-Indian CBAs followed – (1) the decision in 2003 to appoint Special Representatives to settle the border dispute from a political (not legalistic) perspective, and (2) the agreement in 2005 on political parameters and guiding principles to resolve the boundary question.

China's second charm-offensive of this magnitude tapered, with India inching closer to the United States in the fast-changing global geopolitics and geo-economics. China took serious note of the US-India civil nuclear agreement. That was an early sign of a slide in Sino-Indian engagement, as this author gathered from official Chinese interlocutors at the time. In September 2008, China did indeed agree to an NPT-related waiver for India from the NSG. But the US lobbied hard for that. The-then US President George W Bush telephoned his Chinese counterpart Hu Jintao for his consent on the ground that the waiver was indeed an American priority.

China was at that time having a roller-coaster ride. The magnificent Beijing Olympics in 2008 was preceded by popular protests across the world over China's attitude towards and actions in Tibet. India, which hosts the self-exiled Tibetan leader Dalai Lama to this day, was certainly not accused by China as a villain of the piece. But Beijing remained wary of Delhi's hospitality towards the 'Tibetan Government-in-exile'. Soon, China's fortunes skyrocketed, as the US-origin global financial crisis of the late-2000s intensified. What ensued was Beijing's unipolar moment at least in Asia, regardless of whether a multipolar global order would remain a long-term Chinese goal. The flourishing economy that China had become by the late-2000s, and to a far lesser extent the 'rising' India, came into global reckoning as the new 'growth engines'.

However, as China raced ahead, and India found itself trailing far behind, Delhi began sensing an increasingly ‘assertive’ mega-state neighbour.

New Sino-Indian Realities and Options

While China continues to remain far ahead of India in macro-economic terms to this day, two significant factors began turning the tide in Sino-Indian engagement once again. These are: (1) India’s steady emergence as a space-faring strategic power (Beijing being a leader, too, in the extra-terrestrial domain) and (2) the onset of a ‘new normal’ of relatively low economic growth rates in China itself. This set the stage for China’s interest in investing big in India since Narendra Modi became its ‘pragmatic’, even if ‘nationalist’, Prime Minister in May 2014. India, too, began evincing interest in trying to stay on the right side of China, even while exploring closer military and strategic ties with the US. As a result, a modicum of convergence of concerns as two rising economic and political powers defines the current Sino-Indian engagement. In my view, this does not necessarily translate into a confluence of the long-term strategic national interests of these two neighbours. So, the durability of China’s latest charm-diplomacy towards India will be acutely tested. Both nations are playing for higher stakes in a potential ‘Asian century’.

It is in this overarching milieu that four aspects of Mr Wang Yi’s latest talks in Delhi acquire importance. Besides the more-immediate multilateral dimension, the bilateral discussions were dominated by the emphasis on practical cooperation, and the accord on a new ‘bird’s eye view’ mechanism as well as a new forum for talks on India’s NSG bid.

One, Mr Wang Yi has essayed a business-like overture towards India for ‘joint’ efforts to pilot the development agenda at the ensuing G20- and BRICS-summits.⁶ China is now re-emphasising its “closer developmental partnership” with India, a relatively new *mantra*. Discernible is Beijing’s desire to bring about solidarity of the emerging economies under Chinese leadership. This aspect can be viewed in the context of Beijing’s sense of discomfort, not necessarily trauma, over the recent South China Sea arbitral award. Another Chinese aim in this sub-context is to woo India and deflect it from its perceived preference for a tilt towards

⁶ Ministry of Foreign Affairs, Government of the People’s Republic of China, *Prime Minister Narendra Modi of India Meets with Wang Yi*, and *Wang Yi: China and India Support Each Other in Well Hosting the Two Summits*, www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1389330.shtml and www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1389332.shtml

the US. Despite being economically weaker than before, the US might still be assertive at the upcoming G20 summit.

Two, Mr Wang Yi emphasised ‘practical cooperation’ in several bilateral areas – Beijing’s growing interest in India’s industrial parks as well as the railway sector besides a doubling of Chinese investments in India.⁷ Three, a new mechanism,⁸ consisting of India’s Foreign Secretary and Chinese Vice-Foreign-Minister, will pilot the Sino-Indian diplomatic dialogue and public discourse. The stated objective is to take a bird’s eye view of the bilateral diplomatic process from time to time without duplicating the work of existing mechanisms. Four, the two sides have agreed upon high-level official talks to narrow down their divergence over India’s non-NPT-related credentials for admission as a new member of the NSG.⁹ China is keen to ensure that its “all-weather partner” (Pakistan) gets the right of passage into the NSG at the same time as India, although it is only Delhi that was granted an NPT-related waiver from this Group in 2008 itself. On the Sino-Pakistani intimacy, a stalwart China-scholar John Garver has written in his early-2016 book as follows: “Even in the 2010s, as Beijing pushed for rapprochement with India, China’s éntente with Pakistan remained strong. The basis for this remarkable continuity is parallel Chinese and Pakistani interests in preventing Indian domination of South Asia”.¹⁰

Despite such Sino-Pakistani perspective and policy, China cannot ignore a new reality. In June 2016, India became a member of a major non-proliferation forum – the Missile Technology Control Regime (MTCR) which has not yet admitted China. So, this new Sino-Indian official-level forum on the NSG issue need not wither on the vine. For this, I think, China must agree to treat India as a partner for strategic stability in their neighbourhood and the entire global arena.

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⁷ Ibid and Ministry of Foreign Affairs, Government of the People’s Republic of China, *Wang Yi Holds Talks with External Affairs Minister Sushma Swaraj of India*, www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1389329.shtml

⁸ http://www.mea.gov.in/media-briefings.htm?dtl/27323/Transcript_of_Weekly_Media_Briefing_by_Official_Spokesperson_August_18_2016

⁹ Ibid

¹⁰ John W. Garver, *China’s Quest: The History of the Foreign Relations of the People’s Republic of China*, Oxford University Press, New York, United States of America, 2016, p. 192