



The Big Picture- India, China Diplomatic Ties

In 2020, India and China will commemorate the **70th anniversary** of the establishment of their diplomatic relations with 70 celebratory activities (like cultural, religious and trade promotion events). These events were finalized during the **second India-China informal summit** held at **Mamallapuram** on October 11-12, 2019. In 1950, India became the **first non-socialist bloc country** to establish diplomatic relations with the People's Republic of China.

Besides hosting parliamentary exchanges, the two countries will conduct activities to trace **civilizational links**. And to foster business and trade relations, China will hold an **India-China Trade and Investment Cooperation Forum** and organize the **second India-China Drug Regulation Forum in India**.

India-China Drug Regulation

- The **first forum** was held in **Shanghai, China on 21st June 2019**.
- The major focus of this forum was to **enhance cooperation in the pharmaceuticals sector** with a focus on exports of Indian medicines to China.
- China under its **Healthy China 2030 policy** is committed to provide quality drugs at affordable prices to its citizens. And, India **has emerged as the pharmacy of the world** (exported around \$17.3 billion-worth drugs in 2017-18) by providing high-quality generic drugs at a very affordable price.
 - In this backdrop, China is keen to strengthen ties with India in the field of pharmaceuticals sector.

Present Sino-Indian Ties

- The two emerging and enduring powers representing two modes of civilization signify a **complex and dynamic relationship** in world politics.
- In the recent past, relations between India and China have broadened which can be exemplified by **enhanced people-to-people cultural exchanges, improved commerce & economic ties** inter-alia.
- At the official level, **high-level exchanges** have become regular in the form of recently organized **two informal summits- Wuhan Summit (2018) & Chennai Connect (2019)**, and frequent meetings on the bilateral/ multilateral fora.
- The **soft diplomacy** practiced in the form of **increased tourism** (granting of multiple-entry visa for 5 years by India to Chinese travellers), frequent visits by **armed forces & naval activities, 10 pillar agreement** (2018), finalizing of **70 events** in the second informal summit, etc. have given a **cushioning effect**- marking the progress in the relations.
- This highlights the enhanced engagement between the two nations. However, issues on certain major parameters still persist.

10 Pillar Agreement

- 10 pillars of cooperation to enhance **cultural and people-to-people exchanges** were finalized

between India and China in **December 2018**.

- These pillars are **cultural exchange, cooperation in films and television, museum management, sports, youth exchanges, tourism, state and city-level exchanges, traditional medicine, yoga, and education (e.g. Chinese language teaching in India)**.

Underlying Issues

- There is a **widening gulf** between the two nations on certain **core issues** like:
 - Ongoing **border/territorial disputes** (e.g. **Pangong Tso** Lake issue 2019, **Doklam** stand-off 2017, **Asaphila** issue of Arunachal Pradesh)
 - Chinese activism on **Kashmir** after abrogation of certain provisions of [Article 370](#)
 - Cross-border **terrorism**
 - China's stand on [India's entry to Nuclear Suppliers Group \(NSG\)](#), [permanent seat in the United Nations Security Council \(UNSC\)](#), etc.
- **Concerns with India:** China perceives itself as a leading power ruling the **unipolar world** by 2050. It is therefore not comfortable with the **rise of India** in the region as the potential competitive power.
 - China follows a **maximalist expectations approach** towards India in which it demands much from the Indian side as can be seen from 'Hindi-Chini bhai bhai' phase in the 1950s to the stable periphery demand, or demand to join [Belt and Road Initiative \(BRI\)](#). However, China does not reciprocate the same by addressing India's concerns.
- **China's Stance regarding Pakistan:** For decades, China has used Pakistan as a wedge against India in order to confine India to the South Asia region and prevent India's rise as a global competitor. This can be substantiated by China's support to Pakistan on cross-border terrorism, resisting to designate certain terrorists globally, etc.

Challenges faced on the Global Platforms

On the global stage, India and China are working together on different platforms where they display both convergence and divergence on the global issues.

Convergence

- **Climate Change:** In the recently held [BASIC \(Brazil, South Africa, India and China\) minister's meet](#), the ministers from these nations advocated the concept of **equal but differentiated responsibility** that acknowledges different capabilities and differing responsibilities of individual countries in addressing climate change.
- **Economic:** In the **recent BRICS summit (Brasilia Declaration)**, in the backdrop of trade war between China and the U.S. and rising protectionism, there was a call for supporting multilateralism, and appreciating the central role of the U.N. in international affairs.
- **Multilateral Forum:** Both countries believe in upholding of the [United Nations](#) charter and its non-interference policy, [Shanghai Cooperation Organisation \(SCO\)](#), [World Trade Organization \(WTO\)](#)- where both fight for G7 countries, [East Asian Summit](#).

Divergence

- In the recent [3rd Regional Comprehensive Economic Partnership \(RCEP\)](#), China tried to trick on India in order to get access to the Indian markets.
- China also has concerns about India's role (being a member of [Quad](#)) in the **Indian Ocean region**.

Other Domestic Challenges

- Chinese economy is suffering due to the ongoing [US-China trade war](#).
- Also, the domestic issues like [Hongkong protests](#), issue of atrocities against [Uighur muslims](#) in Xinjiang province is affecting China.

- China is worried with concerns related to [China Pakistan Economic Corridor \(CPEC\)](#) due to rising insurgency in Balochistan and Khyber-Pakhtunkhwa region.

Way Forward

- **Strategic:** There is a need for defining, demarcating and delineating the borders so as to remove fear from the minds of people residing in the vicinity and strengthen the ties.
- On the **economic** front, China has a trade surplus of around **\$750 billion** (in the last 10 years) with India, which it needs to bring down. Service sector can play a major role in reducing the trade deficit.
 - China must **create a level playing field** by allowing Indian services such as in pharmaceuticals and software packages in its market. Also, in the RCEP, equitable distribution and differences between the two nations needs to be bridged.
- Both countries can effectively **use their soft power** (in the form of **tourism**) to further integrate their economies.
 - **Tourism:** More Indian nationals visit to China as compared to the Chinese tourists coming to India. This **cultural cross connect must be increased** so as to build up the co-constituencies and enhance businesses that can consequently lead to resolving of conflicts at the national level.
 - [Promotion of tourism](#) through education, spiritual visits especially on the Buddhist circuit, etc. must be promoted.

The problems between India and China are difficult to be resolved in the short run but by **managing the relationship** by minimising the existing strategic gap, narrowing the divergences and maintaining the status quo, it can be improved over time. For this purpose, [increased engagement with China](#) at every level from government to people, academia, business, etc. has to be targeted.