

# India–China Relations: Issues, Caution and Futuristic Trends



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## Abstract

China has been maintaining good relations with its neighbors. After stopping of aid by USA, Pakistan has turned to china and \$62 billions are to be spent on CHINA-PAKISTAN economic corridor (CPEC). Pakistan today has debts worth 214 million dollars which is about 85% of its GDP. Under the guise of friendship, China is looting Pakistan in a well scripted story. China is sucking Pakistan dry with CPEC

China forces Pakistan to buy Chinese equipment for use in Chinese projects, shredding its reserves; then it extends Pakistan loans to cover the purchases, which increases the burden of debt on Pakistan's economy. Its BRI programme has many partners and stakes are high. Today internationally China is challenging USA with North Korea, Russia, Pakistan and Iran as its support. Relations between India and China in particular are based on peaceful co- existence. Today despite 15 rounds of border talks no permanent solution has been achieved. India–China relations have steadily improved, and strengthened in recent times. Good progressive neighbour adds to each others strength. Growing influence of china in India's Neighborhood is a fact now. Nepal, Sri Lanka and Maldives are part of Chinas BRI.

Lot of contracts have been allotted to Chinese companies by these countries eg Pakistan which has been the top agenda both economically and Militarily. Apart from this, the contentious boundary issue and Chinas policy of "string of pearls" has alarmed India. The occupation of Aksai Chin by China, Projects in POK have forced India to increase its defense spending and strengthening its borders. The latest airfields with latest war planes in Tibet has forced Indian Airforce to be on 24 hrs alert. Total 5 airfields are upgraded and made functional in Tibet bordering India. China is not keen to uphold "five principles of co existence". Today China has no choice but to reach out to its neighbors and strategic partners trough BRI. Changing times indicate that both India and China would remain highly competitive in the global and regional trade and economic domain.

**Keywords:** India, China, Tibet, Tension, Nuclear

## Introduction

With change in guard and BJP's coming to office Beijing has been continuing its economic expansion and charm policy with ministers of both the countries visiting from time to time. There have been various exchange programmes have been launched at various levels. Chinese foreign secretary has been in constant touch with Indian authorities to ease visa norms for Chinese citizens. The signing of an Agreement on the Maintenance of Peace and Tranquility along the Line of Actual Control (LAC) has been inked in 1993.

India-China relations have seen ups and downs in the last few years. There have been serious disputes between the two countries, which includes China's opposition to India's entry in the Nuclear Suppliers Group (NSG) and Pakistan-based terrorist, Masood Azhar, head of Jaish-e-Mohammed (JeM), as a global terrorist and Doklam crisis; moreover India has its own interest in opposing China's Belt and Road Initiative (BRI). Pakistan has recognized MANDARIN as an official language in Pakistan. With BRI new Chinese settlement and colonies are coming up exclusively for Chinese resents only.

After Doklam conflict and the BRICS Summit, both New Delhi and Beijing have taken concrete steps to stabilize the relationship. Various improvements are seen as confidence building mechanisms working strongly today. Kenya runs the risk of losing control of the Port of Mombasa if it should default on loans from state financial institution

China Exim Bank, according to a latest news report from Kenya's auditor general.

### **Economic Constraints and difficulties and way forward**

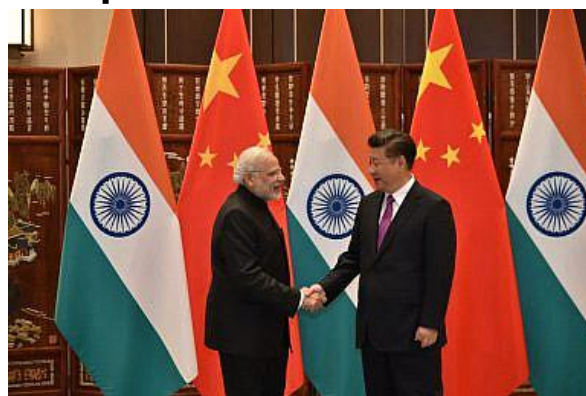
Despite of various odds the economic relations are on a good footing today. opportunity for both are available in various fields and with changed economic conditions today China is getting a good competition from India through "Make In India" projects. Talks of India toppling and surpassing China in GDP growth are ripe in world .Today world sees India better poised for growth than China as investment mechanism is being simplified by present Government. Both countries need to explore the market opportunities available with each other as interiors have remained unexplored. Today India's main concern is trade deficit with China; for instance According to the *Wall Street Journal*, India has been putting pressure on the Chinese Government to import more Indian products and has set high tariffs to protect Indian industries. India has invited Chinese telecom gaint Huawei for 5G trials in India and than boost for 5G infrastructure.

The idea of opening of various Industrial Parks is a welcome step.Maharashtra and Gujarat will be the states to have Chinese Parks.Trade volumes between the two countries in the year 2000, stood at US\$ 3 billion and has been on rise on YOY basis.. The Trade and Economic Relationship between India and China have seen a rapid growth in the last few years.

India's top exports to China includes diamonds, cotton yarn, iron ore, copper and organic chemicals. Seven Indian Banks have a branch of representative office in China. Chinese bank, ICBC has one branch in India in Mumbai.

E-business visa has been introduced to encourage more number of business people from China travelling to India. The India-China Economic and Commercial Relations are shaped through various dialogue mechanism such as Joint Economic Group led by the Commerce Ministers of both sides, and Chairman of NITI Ayog .

Today various dialogue mechanisms between the two countries include the Joint Working Group (JWG) on Trade, JWG on Collaboration in Skill Development and Vocational Education, Joint Working Group on Information and Communication Technology & High-Technology, Joint Study Group and Joint Task Force on Regional Trading Agreement (RTA), India-China Joint Working Group on Agriculture, India-China Joint Working Group on Cooperation in Energy and the Joint Study Groups on BCIM Economic Corridor.China is facing backlash for its CPEC projects.Malaysia has cancelled China's 3 projects.Srilanka had to hand over its Habenbatuta port for settling its debt .



### **Cultural Relations and exploring the past**

India-China cultural exchanges are on peak and priority. There is a competition to learn Madarin in various universities now .With china coming up as manufacturing hub there is a big demand in china to learn Hindi and English now. A new class of MBA has evolved specialized in Chinese language in India. Today various cultural exchanges both at State and Natioanl level are taking place. In past several Buddhist pilgrims and scholars travelled to China on the historic "silk route". Kashyapa Matanga and Dharmaratna made the White Horse monastery at Luoyang their abode. Ancient Indian monk-scholars such as Kumarajiva,

Bodhidharma and Dharmakshema contributed to the spread of Buddhism in China. Chinese pilgrims Fahian and huan Zang have visited India.

Joint stamps depicting the Mahabodhi temple and White Horse temple at Luoyang have been released.

Various agreements on co-production of movies and Yoga colleges which is becoming increasingly popular in China have been signed. China was one of the co-sponsors to the UN resolution designating June 21 as the International Day of Yoga. a Yoga College in Kunming is being set up in China.

### **Present status- India-China relations**

1. China–Pakistan economic corridor is slowly taking a Military turn with increased activities in POK which has been objected by India since its very inception.
2. China has started arming Pakistan Militarily on all fronts .Baidou navigation system is replacing American GPS .Space militarization is on cards,new generation fighter jets namely JF-17 are being assembled at Kamra aeronautical complex, Gwadar Seaport is ready to transport goods to Arabian sea.
3. India and China have a unique relationship, but both have successfully identified and are co-operating on wider and big global issues.
4. Asia's rise is led by its economic growth, and China leads. India is challenging china and converting as Manufacturing Hub of East Asia. This has resulted in Outsmarting China in various fields including FDI. Policy makers in China are advocating cut in GDP forecasts for the year 2019.

5. Huawei which is shortlisted for 5G trials and bringing up infrastructure is banned in western countries for possibility of snooping and leading to Cyber warfare with India.
6. Countries continue to walk into the "BRI Trap" with their eyes wide open. India may have bailed out Maldives, but does not have deep pockets to help out every "BRI Victim".
7. Both countries must demonstrate the political will and maturity which is need of the day for overall development of big chunk of human index present here.

**Conclusion**

China wants to see itself as superpower outsmarting USA. Today china is using its economic strength to its advantage and following Indian proverb in toto - SAAM (persuasion), DAAM (temptation), Dand (punishment) and BHED (division). Both countries were exchanging hostility but all of suddenly in wake of BRICS meet, which is Economically and strategically important subject to both countries, changed their stand dramatically. Both preferred their economic interests above border issues. A strong India-China relationship is important not only for the mutual benefit of the people of India and China, but also for the region and the world Economically as a whole.

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