Chronology of Indo-China Bilateral Relations: Old Memories & Road Ahead with Trade.

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They did not impact each other's Politics or Security until the 19th century. Both India and China are not mere societies; they are civilizations. We do not know exactly when and how they started exchanging their cultural elements. But what we do know is that they grew in parallel and shared their cultural traits since the beginning of human history. The tradition of sharing has been continuing ever since.

Appraising the status of the two countries as emerging great powers by focusing on their material capabilities, structural centrality, values, and identity as key factors in light of Relevance of historical Panchsheel Agreement. Building a closer partnership for development, enhance the in-depth strategic communication, promote mutually beneficial cooperation in various fields, and advance exchanges and mutual learning between the two civilizations is the essence of Indo-China Bilateral Relations.

Two Periods signifies the Multidimensional Aspects of Indo-China Bilateral Relations are generally taken into consideration for a clear understanding of Issues in between the nations. First is – China, India, and their respective societies connected from the 1840s to the 1960s and second one is – from 1961 to 2020. (war & beyond).

There is a long history of positive India-China interaction in history from antiquity. It is an inspiring story of contact and openness, through traders, pilgrims, and monks; of two open societies exchanging learning and ideas; and overcoming the perils of travel by land and sea that took years. The life stories of Kumarajiva, Bodhidharma, Xuan Zang, Fa Xian, and others are known, recognised, and discussed with enthusiasm in both countries. China’s first contact with India, and its admiration of this equivalent civilisation from Han to Tang times, despite considerable internal opposition, is in vivid contrast to the forcible “opening” of Chin by the West in the 19th century. Until the 20th century, however, China was peripheral to or absent from the security and political calculus of Indian politics, as was India to the Chinese. India and China had no common border until 1950, until China occupied Tibet. In the 19th and the first half of the 20th centuries, when India and China impinged on each other’s political and security calculus, their contact was intermediated by imperialism. Their colonial experiences differed and created further gaps in understanding. Chinese radicals saw India’s fate as a British colony as a warning, as something to be avoided. Indians were visible enforcers of Imperial Britain’s actions against China – as policemen in the treaty-ports like Shanghai and Hong Kong, or as the Indian Army which fought for the British in both Opium Wars, occupied Peking during the Boxer Uprising and in multiple other actions in China.

Panchsheel, or the Five Principles of Peaceful Co-existence, were first formally enunciated in the Agreement on Trade and Intercourse between the Tibet region of China and India signed on April 29, 1954, which stated, in its preamble, that the two Governments “have resolved to enter into the present Agreement based on the below mentioned 5 principles.
1) Respect for each other’s territorial integrity and sovereignty,
2) Non-aggression,
3) Non-interference in each other’s internal affair,
4) Equality and cooperation for mutual benefit,
5) Peaceful co-existence.

Within a few months of agreeing to the five principles, China made its first attempt to infringe upon it. The first notable incident in this regard was its territorial claim over Bara Hoti, which has traditionally been Indian Territory. The traditional boundary between India and China in Barahoti (Wu-Je in Chinese) is Tunjun La Pass; the territory situated to the north of the Pass is Chinese and that to the south of it is Indian. It is significant to note that whenever India expressed readiness to recognize the disputed character of the boundary and suggested a resolution through bilateral talks, China blocked such efforts. The initiation of the 1962 War was indeed a violation of the principles of peaceful co-existence. Since, however, discussing principles and norms in the context of war may not be inappropriate, probing the peace efforts after the war, in particular the Colombo Peace Proposals, would prove more convincing to explain Chinese deception.

The Colombo Proposals were the result of the Colombo Conference of six non-aligned countries held on 10-12 December 1962 to discuss the India-China border dispute. The plan put forward a few directions which could consolidate the ceasefire and facilitate further negotiation between the two countries. While India agreed to the principles in toto, China showed an inconsistent and contradictory attitude by agreeing to them in principle but with many reservations. The post-1962 relations of these two countries were influenced by the ‘Sino-Pak alliance’ and after 1971 by the ‘Sino-Pak-US axis’ against India. After 1972, Bangladesh was carved out of Pakistan, Sikkim was merged with India, the first nuclear test was conducted in 1974 which strained Sino-Indian relations further. In China the pandemonium created by the Cultural Revolution rocked the basis of communist leadership. Emerging from the chaos, its primary security concern was the Soviet Union. Therefore, Sino-US relationship became closer which in turn affected India’s policy in the neighbourhood and outside.

India had made earnest efforts to normalise its relations with China soon after the nuclear tests were conducted in 1974, paving the way for the establishment of ambassadorial relationship after a lapse of one-and-a half decades. The icy relationship between both the countries was becoming warm after the collapse of the Soviet Union when the Cold War geographical boundaries began to disappear. Again it was on the verge of being frozen after Pokhran II. However, the diplomatic efforts made by the Indian government have been successful in forging better ties. But the unresolved disputed issues and misunderstandings created by Pokhran II still persist and policies of the developed world continue to affect their domestic as well as foreign policies.

Today, as relations worsen, negative narratives on the history of India-China interactions proliferate. We probably need a mirror examining Indian views of China. One reason for the differing narratives is the fact that China, like India and other civilisations and powers, expects others to behave as it would. China often displays a form of great power autism, a lack of empathy or understanding of how others think and how they might react, to a greater degree than other powers do. Most of history India and China lived in separate multiverses in geopolitical terms. While exchanging goods, people, ideas and learning, they did not impact each other’s politics or security until the 19th century. Because of this history, the two republics, the Republic of India and the People’s Republic of China, founded within a year of each other in the mid-20th century, have had mixed success in managing their relationship. I won’t repeat the long story of the years when they worked together before 1956; of the deterioration thereafter – in which Tibet was a major factor – leading to war in 1962; of the deep freeze through the 1960s and 1970s, followed by the modus vivendi that evolved in the 1980s which kept the peace and enabled each to go about its more important business until about 2012.

2012 was the “Year of China-India Friendship and Cooperation”. President Hu Jintao and Premier Wen Jiabao met with Indian Prime Minister Dr Manmohan Singh respectively on the sidelines of the 4th BRICS Summit and the United Nations Conference on Sustainable Development. A 500-member Chinese youth delegation visited India.
In 2013, President Xi Jinping met with Indian Prime Minister Dr Manmohan Singh on the sidelines of the 5th BRICS Summit in Durban, South Africa in March. Premier Li Keqiang visited India in May and the two sides released a Joint Statement. Prime Minister Dr. Manmohan Singh visited China in October.

2014 is the "China-India Friendly Exchange Year". In September, President Xi Jinping paid a state visit to India and visited Indian Prime Minister Narendra Modi's home state of Gujarat. The two sides issued Joint Statement on Building a Closer Developmental Partnership. In the same year, President Xi Jinping and Premier Li Keqiang met with Prime Minister Modi respectively on the sidelines of the 6th BRICS Summit and the Leaders' Meetings on East Asia Cooperation in Myanmar.

In 2015, Indian Prime Minister Modi visited China and went to President Xi Jinping's hometown Xi'an. In the same year, President Xi Jinping and Premier Li Keqiang met with Prime Minister Modi respectively on the sidelines of the 7th BRICS Summit in Ufa and the Leaders' Meetings on East Asia Cooperation in Malaysia. China decided to open the Nathu La Pass to Indian official pilgrims to Xizang. India celebrated the India Tourism Year in China.

Again in 2016, Prime Minister Modi visited China to attend the G20 Summit in Hangzhou and met with President Xi Jinping on the sidelines. President Xi Jinping visited India to participate in the 8th BRICS Summit in Goa and met with Prime Minister Modi on the sidelines. China celebrated China Tourism Year in India.

In 2017, President Xi Jinping met with Prime Minister Modi on the sidelines of the SCO Summit in Astana. Prime Minister Modi visited China to attend the 9th BRICS Summit in Xiamen and met with President Xi Jinping on the sidelines.

In 2018, President Xi Jinping held an informal meeting with Indian Prime Minister Narendra Modi in Wuhan. They had in-depth discussions and reached broad consensus on the overarching, long-term and strategic issues of global and bilateral importance and their respective visions for national development as well as domestic and foreign policies. The informal meeting set up a new model of exchanges between two leaders and became a milestone in the history of bilateral relations. In the same year, Prime Minister Modi visited China to attend the SCO Summit in Qingdao and met with President Xi Jinping on the sidelines. The two leaders met again on the sidelines of the 10th BRICS Summit and the G20 Summit in Buenos Aires later in the year.

In 2019, President Xi Jinping and Prime Minister Modi held the second informal meeting in Chennai, reaffirmed the Wuhan consensus and agreed to build a closer partnership for development, enhance the in-depth strategic communication, promote mutually beneficial cooperation in various fields, and advance exchanges and mutual learning between the two civilizations. In the same year, President Xi Jinping met with Prime Minister Modi on the sidelines of the SCO Summit in Bishkek and the 11th BRICS Summit.

2020 marks the year of the 70th anniversary of the establishment of diplomatic relations between China and India. It is also China-India Year of Cultural and People-to-People Exchanges. The two sides agreed to hold 70 celebratory activities to demonstrate the historic connection between the two civilizations as well as their growing bilateral relationship over the years, and further deepen people-to-people exchanges between the two countries at all levels, including between their respective legislatures, businesses, academics, cultural and youth organizations as well as the defense forces. The year 2020 was particularly violent. The June clash in the Galwan Valley - fought with sticks and clubs, not guns - was the first fatal confrontation between the two sides since 1975.
What's the source of tension?

The root cause is an ill-defined, 3,440km (2,100-mile)-long disputed border. Rivers, lakes, and snowcaps along the frontier mean the line can shift, bringing soldiers face to face at many points, sparking a confrontation.

The two nations are also competing to build infrastructure along the border, which is also known as the Line of Actual Control. India's construction of a new road to a high-altitude air base is seen as one of the main triggers for a clash with Chinese troops in June that left at least 20 Indian soldiers dead.

How bad is the situation?

Despite several military-level talks, tensions continue. On April 1, 2021, China and India usher in the important moment of the 71st anniversary of the establishment of Diplomatic relations. Looking around the world, China and India, as the only two emerging countries with a population of more than 1.25 billion, shoulder the historical mission of national rejuvenation, play a key role in the process of the collective rise of developing countries, and inject strong momentum into the profound changes unseen in a century.

It seems the two nations stand at a crossroads in the 71st year of bilateral relations. They can go down one of four paths: a downward spiral toward armed confrontation; armed coexistence; coexistence with cooperation and rivalry; and partnership. Partnership looks unlikely at present. Armed confrontation would be an unwise move because both would be diminished to a lesser or greater degree. China, it is hoped, does not harbor visions of total victory. What separates armed coexistence from coexistence with cooperation and rivalry is trust. None exists at present. The trust will have to be built brick by brick, beginning with the LAC in eastern Ladakh. China should be prepared to put aside any idea that trust can be restored by decoupling the boundary question from the larger bilateral relationship.

Is it right time to move to Panchsheel Pro+ i.e-Re-launching a Trade pact with keeping in mind New Ground Realities. The main reason that strengthen this possibility is that – Currently the bilateral trade between India and China has crossed a huge figure of 100 billion dollars but it is not much discussed on both sides. The reason is clear, since the military standoff in Eastern Ladakh, the relationship between the two countries is going through a very delicate phase.

According to the news agency PTI, this bilateral trade, which started from US $ 1.83 billion in the year 2001, grew to $100 billion within 11 months of 2021. This is a big opportunity for the business of both the countries because both the countries have improved the relations for their trade. According to the data of the General Administration of Customs (GAC) of China, India-China bilateral trade has stood at $ 114.263 billion, which has increased by 46.4 percent between January and November 2021. India's exports to China have increased to $26.358 billion, which has increased by 38.5 percent every year, and India's imports from China have increased to $87.905 billion, which has increased by 49 percent.

But What is haunting India in this achievement is that India's trade deficit has also increased rapidly. Trade deficit means that India has bought more goods from China than it has sold. Indian Defence Expert’s Questioning in this regard is really a matter of concern and it discloses our weak points- a 50% increase in trade with China in the year 2021 amid China's border encroachment, with a surplus of $61.5 billion between January and November in favor of China, which is expected to increase in the current financial year to India-is almost equal to the total defense expenditure."
As of now, trade supremacy is the only real power which defines bilateral relations globally. The whole struggle is about who will become the 'top dog' at the international level. America wants to maintain its superpower status, so it is slowing down the pace of China's growth. The competition between the US and China is the primary contradiction in the world at the moment. This contradiction is defining the mutual relations of different countries and relations with these powers. Russia is trying to tell the Western countries that if you want to see me neutral in competition with China, then pay the price.

But only thing that is fuelling this supremacy is China's economic growth. China's state-run broadcaster CGTN cited data from the National Bureau of Statistics (NBS) to say that the growth has been better than expected and is the fastest in ten years. China's total GDP was more than $15.75 trillion for two consecutive years. In this, the GDP per capita was $12,500, which was higher than the world average. The pace of China's economy has been good. China's GDP grew by 8% last year, achieving the twin goal of good growth and low inflation. On the other hand, the growth figures in India's economy so far are quite the opposite. India's economy had a negative growth of about 24% between April and June, that is, India's economy in these months was about a quarter smaller than last year. So what is it that is separating China from India? Why this time China's name is being taken once again to bring the world out of recession, but not India?

Corona has changed the equation that was visible for the last few years, but this trend will not last long, we estimate that by 2022, India's economy will start growing again.