Talking Wuhan but walking Doklam: India-China interactions since 2017

Atul Kumar
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Introduction

Doklam or Dolam is a plateau in Bhutan, adjacent to its border tri-junction with India and China. The plateau is strategically vital due to its location between China’s Chumbi Valley in the north and India’s Siliguri Corridor in the south. China contests Bhutan’s ownership of the plateau and claims Doklam as an extension of its Chumbi Valley terrain. To settle other bilateral territorial disputes in the North Bhutan, China has used this plateau as a bargaining chip. However, even after scores of engagements and deliberations, the dispute remains unresolved.

Moreover, due to the India–Bhutan treaty relationship, China and Bhutan do not have bilateral diplomatic relations, which further infuriates China. Little Bhutan’s audacity to rebuff Chinese diplomatic advances and its tacit support to India on territorial disputes in the region, riles China. Therefore, to press their claims, People’s Liberation Army (PLA) troops have been coming regularly to North Doklam through their road, which ends near the Indian military post at the Doka-La pass. Periodically, they would threaten the Royal Bhutan Army (RBA) troops on the plateau, seize their posts for hours or days at a time and accuse them of standing on the Chinese soil. South Doklam remained away from their reach due to lack of roads.

However, on 16 June 2017, a group of PLA personnel brought light and heavy vehicles, plant machinery and equipment at their parking area near Doka-La Pass, to build a road to South Doklam’s Jampheri Ridge. The RBA troops’ opposition and the Bhutan Government’s official protest didn’t succeed, leading to Indian intervention to stop the construction work. The PLA refused to back down, reinforced troops at its side and therefore, a standoff between Indian and Chinese troops began on 18 June. Local Indian and Chinese military commanders tried to resolve the issue till 25 June but failed. Thereafter, the standoff appeared in public domain through Chinese newspapers.

All three governments issued official statements on the standoff and both India and Bhutan asked China to maintain the status quo and stop new construction. Instead, the Chinese government adopted a hard-line stand, allowing the issue to snowball into a major bilateral clash with India. China cancelled the annual pilgrimage to Mount Kailash from India. Its Ministry of Foreign affairs issued a number of damaging travel advisories on India to Chinese nationals. The annual hydrological data on Brahmaputra River didn’t arrive from China that year, leading to 157 deaths and thousands displaced during Assam floods. It further culminated into a minor clash between Indian and Chinese troops at Ladakh in a different border sector.

Nevertheless, both top leaders, China’s President Xi Jinping and India’s Prime Minister Narendra Modi, met in G-20 Summit at Hamburg and directed their diplomats to find a resolution. The diplomatic wrangling, media war and amplified tensions on the border persisted for 73 days. Finally, on 28 August, both countries were able to conclude a face-saving resolution. Indian and Chinese armies agreed to pull back 100 meters from the standoff point and China agreed to stop constructing the road towards the South Doklam.
India’s apathy towards its Tibet border

India, by nature, is a status quo power in the international political system. Its behaviour towards China so far, whether by deliberate designs or inadvertent policy selections, has followed a unique vacillation between two extreme poles of pro-China and anti-China inclinations. Whether it is a result of bureaucratic pusillanimity in New Delhi, lack of imagination in its tiny diplomatic community or a general lack of in-depth knowledge of China, is difficult to pinpoint. The blame can lie on either of these factors or all of them combined.

In 2019, even a cursory analysis of Indian policy towards China, its most important neighbour, gives an impression of rudderless, haphazard and unimaginative policy formulation. Frequent episodes of highs during fragile bonhomie and then, consistent feelings of despair and disgust during recurrent frictions, are ever so common in this bilateral relationship. The Doklam Standoff presented a necessary glimpse into India’s procrastination in rectifying border management issues and its misinterpretation of the Chinese communication. The 73 days standoff at Doklam and bilateral interactions thereafter, are a good case study to analyse and illustrate India’s fundamental delusions towards China.

India’s history of interactions with China in Sikkim sector has remained complicated. It is one border where bilateral trade is permitted today, even though the volume remains minuscule. It is also the same border where Indian and Chinese troops clashed in 1967 and used heavy artillery to settle the ownership of Himalayan passes. The PLA lost nearly 350 troops along with 450 injured, while Indian troops received a boost to their morale as they did not yield any ground while taking fewer casualties.

Further, China refused to accept the Sikkim’s merger with India in 1975. After 28 years, it informally relented in 2003, when Indian Prime Minister Atal Bihari Vajpayee explicitly recognised the Chinese sovereignty over Tibet. Fortunately, the 220 kilometre Sikkim-Tibet Border had been well defined in the Anglo-Chinese Convention in 1890 and demarcated on the ground in 1895. This was even formally notified by the People’s Republic of China in a note to the Indian Government on 26 December 1959. Therefore, any scope for border dispute need not emerge on this border in the millennium. However, for China’s Himalayan neighbours, all of their borders vis-à-vis China are contestable, depending upon their power equation in the region.

On the Indian side, access to Doklam Plateau was limited and difficult. Therefore, the Indian Ministry of Defence decided to improve the road for better border surveillance from Bheem Base in the north to Doka La pass, near Doklam. It also decided to construct a new road from the Flag Hill to Doka La that traversed through the Pangolakha Wildlife Sanctuary. The Defence Ministry submitted these road construction proposals for the environment and wildlife clearance to the Indian Environment Ministry (MoEF) in December 2007.

However, the proposal did not get clearance during the Congress-led Government as the Union Environment Minister Jayanthi Natarajan did not believe in clearing files and projects unless she received the ‘Jayanthi Tax’ (illegal cut) from concerned parties. The Environment Ministry bureaucrats had converted the forest and wildlife clearance processes into an unusually cumbersome and labyrinthine exercise, involving the Supreme Court, the National Green Tribunal, the Central Empowered Committee, multiple NGOs
India’s apathy towards its Tibet border

and other professional green petitioners. Therefore, the project remained in limbo for a decade.

Even the new Indian government, which came to power in May 2014, could not speed up the wildlife clearance process in the next few years, due to existing internal blockades.26 The extent of negligence, lack of responsibility and accountability in the New Delhi bureaucracy can be gauged here. A crucial infrastructure project, for improving national security on the India-Tibet Border, could not be procedurally sanctioned in ten years.

In 2016 the Flag Hill-Doka La Road project received clearance and the construction process began. India’s Border Roads Organisation (BRO) issued the first tender for the project on 28 December 2016 and posted on its website on 11 January 2017.27 Simultaneously, another road construction project from Marsimik La to Hot Springs in Ladakh was also in pipeline. This project finally received sanction in July 2017 during the Doklam Standoff, in the teeth of Chinese opposition.28

All these Indian road construction projects were well behind the Line of Actual Control (LAC) on the Indian side and aimed to improve the movement of troops and local people in the area. However, the Chinese government considered these and similar other projects namely, the Arunachal Frontier Highway as provocative moves to alter the status quo.29 The Chinese impression of status quo on the India-Tibet Border presumes a comprehensive Chinese domination of the LAC. For comparison, China has built numerous roads, bridges, troop bases, radar stations, vehicle depots and other facilities on its own side of the LAC, without much opposition from India. Often, the Chinese road construction parties have attempted to construct roads on, even the Indian side of the LAC, which have invariably snowballed into a standoff or dispute.30

In addition, China has built railways, helipads and major airports all around the LAC.31 In the immediate vicinity of the LAC, China has built seven major airports at Ngari, Hotan, Shigatse, Lhasa, Nyingchi, Qamdo and Daocheng.32 All of these airports were built before 2014. Furthermore, there are Chinese airbases in the vicinity for support operations at Malan, Dingxin, Qionglai, Kangding and Kunming. The existence of these airports along with the arrival and expansion of Tibet Railway to Chengdu, Nyingchi, Shigatse and other locations in the east have transformed the Chinese presence in the region, especially around the LAC.

A further proposal to expand the Tibet Rail to Kashgar in the north-west China would ensure a heavily built dual use infrastructure along the LAC, from Ladakh to Arunachal Pradesh.33 In comparison, on the Indian side of LAC, even minuscule border area development projects have always faced the Chinese opposition. China believes that these projects may dent its comprehensive dominance of the LAC and may present threats to its south-west underbelly.

The Standoff

In Doklam, Chinese patrols used to visit once or twice a year till 1998. China began constructing a road from Yadung to Doklam Plateau via Sinche La in 1999 which completed in 2003.34 This road ended about 200 meters away from the Indian border post on the Doka La pass. After the road completion, frequency of the PLA patrols increased to nine or-ten times a year. However, the plateau is covered under snow for a major part of every year. Therefore, road enhancements and minor infrastructure improvements in the area is routine work. This is where the confusion began.

On 21 May 2017, the local PLA commander informed his Indian counterpart that they may take some infrastructure work in the area.35 Believing it to be one of the minor works, the Indian commander did not get alarmed. However, during next three weeks, a number of confrontations occurred between the PLA and the RBA troops from the Jampheri Ridge.
Indian troops became aware of the Chinese intention to build a black top road to Jampheri Ridge through their interactions with the RBA troops and informed their chain of command. While the Indian troops were observing these developments, the PLA troops brought over their plant machinery and equipment to build the road to Jampheri Ridge on 16 June near Doka La. This sparked a verbal confrontation between Indian and Chinese troops and led to reinforcements on both sides. By 18 June, both sides had formed human chains in front of each other and thus, the standoff began at Doklam. Local attempts at Major General Level, to defuse the crisis, failed on 25 June. On 26 June, information on the standoff appeared in the Chinese press and became an international concern. The crisis continued up to 28 August, when both sides reached an agreement and decided to withdraw troops from their positions. In addition, China agreed to stop construction of roads towards Jampheri Ridge.
2. Lessons

The standoff produced a number of lessons for both India and China. First, India realised that the Doklam Standoff was a manufactured crisis on the basis of a gross miscalculation. China assumed that it could force a de facto change on the ground while forcefully overruling opposition from Bhutan and its army. Since the Indian troops were not directly involved in the protection of the Doklam territory, China expected little opposition from India except some verbal or diplomatic protest. None would have influenced the actual realignment undergoing on the ground. Once the road was complete and the PLA patrols enforced the Chinese domination over the Jampheri Ridge, the diplomatic cacophony would have faded. Both India and Bhutan had no other option but to adjust to changed realities. Moreover, India’s treaty ally Bhutan’s loss of territory to China would have destroyed India’s credibility among smaller nations in the region and discouraged their external balancing efforts.

In a way, it was a continental imitation of the artificial island building in the South China Sea. Only this time, the threat to national security was too upfront for India to overlook. A Chinese base over the Jampheri Ridge would bring the Siliguri Corridor directly in their fire line as the aerial distance is hardly around 35–40 kilometres. A consistent artillery or rocket fire from the Ridge would destabilise Indian military plans for its Northeast’s defence. India had faced a similar artillery fire from Pakistan on its arterial road to Leh during the Kargil War.

Therefore, India followed a strategy of deterrence by denial and challenged China’s fact creation on the ground itself, without making any public noise in media or at the political level. Through an effective media management, especially indoor briefings to senior editors and defence journalists, India maintained the lid on the issue. Barring few, almost the entire Indian defence media community, who had become aware of the standoff quite early, maintained a low-key attitude on the standoff. Moreover, throughout the crisis, almost every Indian policy maker expressed strong belief in diplomatic negotiations, without any compromise on key issues. Therefore, if China saw itself as an irresistible force, India proved to be an immovable object. This approach to resolution worked and India came out virtually unscathed from the crisis. It proved that diplomatic negotiations with strong military resolve and clear red-lines can work in India-China interactions.

Second, the top leadership of both countries strived to contain the crisis through meetings in international forums, while their diplomats and Special Representatives (SR) hammered out a deal. Prime Minister Modi met President Xi on the side lines of the G-20 summit in Hamburg on 7 July, three weeks in the standoff. He suggested that both SRS should take the initiative to find a solution as ‘our strategic ties were far bigger than small tactical issues like Doklam’. Modi further underlined that bilateral differences should not be allowed to turn into conflicts as both countries had a lot to gain from cooperation. Xi agreed and the diplomatic negotiations proceeded.

However, on the Indian side, the political leadership made it clear to its diplomats that ‘India will not allow the status quo to be changed by force under any circumstance’. Any change must happen through negotiations and mutual understanding. Hence, the diplomatic negotiations began with a clear mandate. Indian Armed Forces received clear instructions to ignore provocations but maintain the vigil and if necessary, reinforce the disputed area with men and materiel. A united front with clear goals always works and this became the most important lesson in this dispute.

Third, the force ratio on both sides at Doklam consistently remained in the Indian favour. India has traditionally maintained heavy deployments in this sector owing to 1967 clashes.
and the importance of the Siliguri Corridor. The Indian Army’s 33rd Corps is based in Sukna near Siliguri and contains three mountain divisions with nearly 60 thousand troops in the vicinity. Two air bases in Hashimara and Bagdogra are co-tasked to 33rd Corps’ area of responsibility. The Doklam Standoff point is served by a company of 120–150 soldiers while a battalion remains in reserve about two hours away. India also has major deployments in the North Sikkim and technically, an access to Chumbi Valley through the east in Bhutan. Therefore, military deployment wise, India has maintained a heavy footprint in the sector. The force dominance played a crucial role, in India’s resolve to stand its ground.

In comparison, the PLA deployments in the Chumbi Valley zone have remained light in the front, composed prominently of border guards, but heavy in the back. The PLA unit 77656 has remained deployed in this sector and even received rewards from Xi in 2016. During the standoff, the PLA sent reinforcements however they never became a considerable force in the local sector. Moreover, the PLA has been undergoing massive demobilisation and higher command transformation since late 2015–early 2016. Therefore, the entire force structure and troop deployments had remained in a flux.

The PLA Army had also become defensive owing to its large size. A stream of suggestions had appeared in the Chinese discourse for cutting its flab and accompanying dominance over the entire PLA hierarchy. Its sister services were critical of the ‘Grand-Army-mentality’ and its consequent effects on the jointness and interoperability. Therefore, the Doklam Standoff gave the PLA Army an opportunity to counter its critics inside the PLA.

Fourth, the role of diplomacy emerged as a major troubleshooting method in this crisis. The Indian Diplomatic Corps, a tiny community of 940 diplomats, worked feverishly to conclude a face-saving agreement for both countries. The small size of diplomatic community in India is a major handicap affecting its foreign and economic policy. The number is similar to the diplomatic corps of smaller countries such as Singapore. Compared to India, China boasts of nearly 7,500 diplomats while the US diplomatic community has 14,000 members. A small diplomatic corps mostly remains mired in firefighting. It hardly gets time and personnel to formulate a long-term strategy and follow it to its proper course. As a result, Indian diplomats consistently over-commit and under-deliver. Often, one comes across India’s smaller Asian neighbours who complain of a large gap between India’s diplomatic commitments and delivery. The Doklam Standoff drove the point further home that India needed to increase its diplomatic strength. However, this issue still remains a work in progress.

Finally, the standoff evolved into an opportunity for India and China to gauge the international reaction. A majority of major powers maintained silence on the issue or encouraged both countries to negotiate out of the crisis. Russia and the US adopted quiet diplomatic approach, prodding both India and China to maintain the status quo. Middle powers however remained vocal during the episode. Japan offered statements in India’s support. Australian Foreign Minister Julie Bishop stressed upon peaceful resolution during her visit to India. China, unsurprisingly, intensely condemned these statements in India’s support. Further, India also received some informal cooperation and intelligence support from these countries.

However, the crisis punctured the balloon of unusual expectations which India had raised in anticipation. In the Bhutan–China Peace Agreement 1998, China had agreed to maintain peace and tranquillity on its border with Bhutan. The Article 3 of the agreement further reinforced that both countries will maintain status quo on the border. Therefore, China challenged the status quo in violation of this agreement, when it commenced road construction in a disputed area through force. China also violated its 1993 treaty with India on maintenance of status quo on the Indo-Tibet Border. Therefore, India expected that major powers will offer strong support to Bhutan on its stand. It even expected that leading powers in the United Nations will take a clear and public stand to protect the
Lessons

When an aggressor and his victim are put in the same box and treated equally, the aggressor gets the advantage. The US low key diplomacy, based on incorrect assumptions that its public involvement will make it difficult for China to go off-ramp, didn’t help. Instead, a lack of credible and public international support made India realise that if push came to shove, it would be a direct face-off between India and China, without any backup. India had to deal with China by itself and to a major extent; the internal balancing would be far more crucial than any potential alliance with an external actor. This lesson has thereafter shaped the Indian foreign policy, considerably.

The lessons were similar for China as well. The lack of any support on its stand against India and general distrust in the Indo-Pacific Region towards Chinese arguments, proved to be a moderating experience. A majority of smaller Asian states became fearful of the looming conflict and its effects upon the regional economy. These two Asian nuclear giants could have begun with smaller conflicts and thereafter, the escalation dynamics might have taken the dispute to unexpected levels. Both, the sense of face loss and drive for vengeance are dangerous stimulations, which could have played disproportionately in this probable conflict. All of these factors played crucial roles in the resolution process and helped China, moderate its stand towards de-escalation.
3. After Doklam

Once the standoff ended, despite the initial confusion on the exact nature of the withdrawal agreement, it soon became clear that both countries had found a face-saving formula. India had agreed to withdraw its forces, back to their base on the Doka La pass, from where they could monitor the Chinese activity on the Doklam Plateau. China agreed to stop building roads towards the Jampheri Ridge and move its forces to few hundred meters from the standoff point. The deliberate ambiguity in the agreement provided both countries, ample scope, to claim victory.

Nevertheless, the bilateral standoff ended into an uncomfortable armed coexistence. China could not achieve its aim to gain access to the Jampheri Ridge. Instead, when the international media glare subsided, China utilized this opportunity to dominate at least 60 percent of the Doklam Plateau. In the next one year, China extensively occupied the North Doklam and overhauled the existing road. It further constructed accommodation for troops, emplacements for guns and mortars, large vehicle depots and ancillary infrastructure to support a division of personnel in its territory, adjacent to the plateau. Additional military infrastructure in the neighbourhood, namely, airbases, helipads, trenches and communication facilities were developed. This way, Chinese troops endeavoured to remain prepared for any future contingency in the region and beyond.

Furthermore, a marked transformation emerged in the PLA’s deployment pattern in this region. Earlier, the PLA patrol used to visit the plateau in April-May and October-November, every year. Instead, the PLA maintained permanent deployment during the winter of 2017-18 in Doklam. China further improved its presence in Merug-La, Batang-La and Sinche-La passes on the Doklam periphery and maintained a sizeable presence in Yadong garrison, nearby.
4. Road to Wuhan

By the early months of 2018, the bilateral relations between India and China remained uncomfortable. Indian festival season during November-December 2017 had already witnessed frequent boycott calls of Chinese goods, especially fire-crackers.67 Additionally, the India-Tibet Border experienced frequent tensions and minor patrol face-offs. The number of border incursions increased substantially.

In 2017, the total number of Chinese incursions into India reached to 426 compared to 273 in 2016.68 A general sense of suppressed hostility and suspicion persisted in every bilateral sphere. The economic relations consequently suffered to some extent. The Chinese investment in India was reduced and the bilateral trade experienced lower enthusiasm.69 In addition, the media hostility persisted, and Chinese authors frequently warned India against adventurism and triumphalism.70

Russia

However, a reassessment of Indian attitude towards major powers began in the post-Doklam period. India’s relations with its neighbours had already suffered, due to Chinese presence in the Indian subcontinent. Hence, Indian multi-alignment policy came under increased scrutiny. Among major powers, Russia was the first case in question. The Doklam crisis showed that much water had already flown between Moscow and Beijing. Accordingly, India-Russia relations had fundamentally transformed and they lacked consensus on China. Russia would prefer neutrality and take steps to protect its commercial interests with China, instead of taking a conspicuous stand to support or favour India.71

Russia had traditionally maintained a general avoidance in supplying high technology-laden weapon platforms to China, in comparison to India.72 The Indian Sukhoi Su-30MKI fighters were more powerful with thrust vector engines than the Chinese Su-30MKK ones. Later, Russian apprehension, of China reverse engineering its weapons and then attempting to sell them in traditional Russian markets, soured their military trade relationship. The reverse engineering of Sukhoi-27 and associated negativity forced Russia to maintain a moratorium on the sale of any offensive weapon to China, for almost a decade.73 However, around 2013-14, this policy began changing in the wake of shift in global alignments and the onset of the Crimean Crisis. Subsequent sanctions and the loss of Russian access to European and American markets compelled a rethink. Accordingly, Russia resumed its offensive weapon sale to China and agreed to sell S-400 surface-to-air missile system in 2014. It was topped up in 2015 with a sale of 24 Sukhoi-35 aircraft.74

These Russian advanced weapon sale agreements with China presented a threat to India’s national security. It dented Russia–India bilateral trust and tampered their military trade. On top, the Russian silence and neutrality during the Doklam Crisis, adversely affected this delicate friendship. In subsequent meetings after the crisis, whether during the Russia–India–China (RIC) trilateral or multiple BRICS meetings, the Russian proclivity towards the Chinese stand became a noticeable feature. Russian Foreign Minister Sergei Lavrov’s unexpected and unsolicited public suggestion that India should join China’s Belt and Road program raised misgivings in India.75 His subsequent opposition to the Indo-Pacific concept and India’s involvement in American political, military and maritime engagements reflected the tilt.76
However, Indian predicament of deteriorating bilateral relationship, along with a massive inventory of Russian origin military materiel, prevented a public showdown with Russia. India could not let Russia go whole hog into the Chinese camp and supply advanced weapons to Pakistan, which might have critically endangered Indian security. Moreover, India would feel extremely uncomfortable with a Russia-China-Pakistan axis because its economy and security will be adversely affected.

United States

After two complicated relationships with Russia and China, India hoped to avail a stronger support of at least one great power. However, nearly two decades of blossoming India-US partnership entered a complicated period in 2017-18. The indications of an impending turmoil had become apparent when President Donald Trump entered the White House in 2017. Subsequently, a high level of attrition in his administration made it difficult for India to engage with a credible US official. In one year of Trump administration, American relationship with South Korea, Japan, Germany, France and most of his allies began to sour. His capricious, mercantilist foreign policy and excessive focus on bilateral trade deficit made India aware that it will be one of the target countries in the near future. The trade disputes over medical devices, dairy products, data localisation, military technology and e-commerce regulations soon made the bilateral relations complex.

In February 2017, India capped prices of stents, used in coronary angioplasty, under its Drug Price Control Act 2013 because Indian hospitals were charging nearly 650 percent mark-up on stent prices.77 This cap on medical devices, along with American Big Pharma’s hostility to India’s generic medicine policies, snow balled into a major bilateral trade dispute.78 In retaliation, Trump imposed heavy tariff on Indian steel and aluminium imports.79 Due to its inbound healthcare scheme, ‘Ayushman Bharat’, for poor and vulnerable sections of the population, Indian government doubled-down on its price cap policy with addition of knee implants among others. It also rejected Trump’s demand to refrain from adding more medical devices to the capped list.80

Another issue on dairy exports to Indian market brought forth disagreements. American cattle feed contains internal organs, blood meal and tissues of ruminant origin from sheep and cattle.81 Therefore, the milk from these non-vegetarian cows will violate religious sentiments in India, where cow milk is a vegetarian product and used widely in worship. Indian insistence on milk imports from only vegetarian cows became a bone of contention.82 Additionally, Indian e-commerce and data localisation policies raised serious discords between both governments.83 The US technology and banking industry resisted India’s insistence on data localisation and a revised e-commerce policy to favour local traders.84 Finally, Trump’s public mocking of Prime Minister Modi, obsession with tax on Harley Davidson motorcycles and denial of any military technology transfer whatsoever, brought a visible chill in the India-US relationship.85

The status of India’s bilateral relations with its immediate neighbours was already complicated. India’s Pakistan relations remained precarious and conflict prone. Its relationship with Nepal and Sri Lanka underwent a roller-coaster ride. Maldives became overtly hostile due to President Abdullah Yameen’s closeness to China. Myanmar and Bangladesh quarrelled over the Rohingya problem. In sum, India faced a bleak environment in its immediate neighbourhood in early 2018 and complicated relationship with major powers. The only judicious course left for India was to seek a reset in its relations with China for better leverage with other major powers.
Chinese rethink

Similarly, China entered into a difficult period after Doklam. Although Xi Jinping acquired a lifetime mandate to rule China in 2017 Communist Party Congress, his external environment became troublesome.86 Trump’s negotiation with the Korean ruler Kim Jong-Un raised apprehensions in Beijing.87 His obsessive focus on the US-China trade deficit reduction along with overt hostility to ‘Make in China 2025’ plan, developed into a serious headache for China.88 Trump threatened to impose tariffs on Chinese goods worth US$ 50 billion if both countries didn’t formulate a trade deficit reduction plan. In addition, the US Congress passed the Taiwan Travel Act which allowed high level visits between the US and Taiwan, in spite of China’s vociferous protests.89 Trump’s tone on the South China Sea remained far more hawkish than China’s expectation as well.

Moreover, even though the PLA deployed its troops permanently near Doklam during the 2017-18 winter, a replication of this feat on nearly 4057 km of India-Tibet Border required humungous expenditure. In addition, it was a losing strategy to remain in a simultaneous confrontation with its south-western neighbour, when China faced heightened threats on its eastern front. Furthermore, the US-China trade war compelled China to explore its economic options. Indian economy is probably one of the largest that could absorb some of the Chinese production. China also expected to minimise Indian opposition to the Belt and Road Forum through diplomatic and political channels, as India’s formal opposition had already struck a nerve with like-minded states. All of these factors propelled intensive engagements between diplomats from both countries and resulted in the Wuhan Informal Summit.
5. Wuhan informal summit

The Wuhan Summit of Xi and Modi on 27-28 April 2018 brought a much-needed breather in their relations. Both leaders agreed that a peaceful, stable and balanced relationship between India and China would shape the global politics, economy and security. They also agreed to handle the differences through peaceful discussion while respecting each other’s sensitivities, concerns and aspirations. Most importantly, both emphasised upon peace and tranquillity maintenance on their mutual border. Therefore, they provided strategic direction to their individual military forces to develop confidence building measures, strengthen existing institutional arrangements and information sharing mechanisms to prevent incidents on the border. Trade, climate change, global political order, all came up for discussion.

Post-Wuhan Bilateral Relationship

The Wuhan Summit did help significantly in reducing the hostility, built up during Doklam. During the informal summit, both leaders talked for almost ten hours and were able to agree on a modus operandi to work with each other. Most importantly, while China understood India’s concern over border incursions and patrol face offs, Chinese concerns on Dalai Lama, his visits to Arunachal Pradesh and its political ramifications received India’s grudging acceptance.

Dalai Lama

The Chinese leadership sought to reduce the public profile of Tibetans in India. In the run up to the summit, these negotiations had already begun. It was part of the concept of ‘differences not turning into disputes’ which both sides agreed upon. Therefore, India had already begun applying curbs on Tibetan political events in India. After the summit, this policy line has remained in place, frustrating Dalai Lama and his supporters considerably.

The Indian Government’s relationship with the Tibetan community went sour, even further, when the reigning 17th Karmapa Lama left India to visit the US and then decided not to come back. He aired his grievances in public, blaming Indian officials for being suspicious of his intentions. Subsequently, he acquired Dominican citizenship and India refused to endorse his claim over the Karmapa sect. These events eroded Tibet’s clout in the Indian government to China’s advantage. Then Prime Minister Modi, in contrast to his first inaugural, did not offer invitation to the Tibetan Government-in exile for his second inauguration in May 2019. A general tone down in Indian support to Dalai Lama and his political heirs is unmistakable in India, a clear outcome of the Wuhan Summit between Modi and Xi.

Trade

The summit aspired to further intensify India-China bilateral trade. Indian rice, sugar and soya exports gained relatively increased access in the Chinese market, partially due to China’s trade war with the US. Chinese investments in India’s emerging sectors namely, retail and internet sectors resumed as well. However, the momentum of Chinese investors is yet to return in the Indian market. Investment offers, such as Wanda’s mega billion investments in Haryana, are nowhere on the horizon. These billionaires are themselves undergoing investigation in China on corruption charges.
Further, Indian multinational companies, especially those in pharma sector, remain sceptical. Indian medicines are exported globally but China prevents their entry into its domestic market through multiple tariff and non-tariff barriers, even though these medicines remain popular on the street. This author has observed Chinese scholars filling up their suitcases with medicines on their India visits. However, in China, a pharmaceutical product has to undergo multiple license requirements and additional certification measures. Even if the drug is already certified globally, compulsory quarantine and drug clearance procedures take anywhere from two to five years.

Even after the clearance, it takes another few years to commercialise these products, due to China’s additional non-tariff barriers. The issue has been raised at multiple fora and the India-China Joint Economic Group has identified pharmaceuticals as a crucial item to reduce the trade deficit. The Wuhan Summit had raised hopes of their access to the huge Chinese market. Nevertheless, the Indian companies’ entry remains at a conceptual stage, with only few bigger companies struggling to gain access this year.

In comparison, India has become heavily dependent upon Chinese manufactured products in telecom, power, electronics and capital goods sector. Out of nearly US$76.3 billion Indian imports from China in 2018, only five percent accounts for cheap consumer goods while the rest caters to major industries. A majority of Indian mobile phones are either made in China or imported in kits for assembly in India. Chinese apps dominate the Indian rural sector, through numerous apps such as Tik Tok, Share it and UC Browser. Chinese television sets, fridges, air-purifiers and other household goods have major presence in India. Even India’s stellar performance in the pharma sector is dependent upon nearly US$2.5 billion of annual active pharma ingredients (API) imports from China.

Moreover, China’s near-dumping level export prices have worsened the competition for local industry in India, even leading to de-industrialisation in some pockets. There are further concerns that during the ongoing US-China trade war, China may create a glut of its products in the Indian market on cheap prices, to get some respite. China may even dump its goods in traditional Indian markets in Asia, Africa and beyond, which may severely affect Indian exports. Moreover, Indian scale of production is not adequate to replace Chinese exports in the US market. Indian machinery export to the US in 2018 was merely US$ 3.3 billion while Chinese combined export of electrical and other machinery reached to US$ 269 billion. Therefore, Indian capability to benefit from the trade war remains limited.

Furthermore, China does not behave as a market economy and often applies the combined power of its economic leverage to impose its politico-security policy. Chinese boycott of South Korean, Japanese and Australian goods and services during disputes remains a troubling concern. In this drive, China deploys its state owned enterprises and the private industry, including Huawei, Alibaba together. If used in the Indian case, China retains the leverage to bring pain to local industry if it decides to control API, vaccine, rare earth materials, capital goods and other item exports. Therefore, yesteryear’s lofty goals of Indian diplomats, who sought to create Chinese stakes in the Indian economy for shaping its political-diplomatic behaviour, have fallen flat. China has, in reality, doubled its capacity to bring pain to India in security and economic domains.

**Military Relations**

In the military domain, the normalcy on the border has somewhat returned. Bilateral exchanges between both militaries have resumed. Both conducted their seventh Hand-in-Hand bilateral military exercise in December 2018 in Chengdu. This counter-terrorism joint exercise, launched in 2007, has improved mutual understanding among both militaries. In addition, for the first time in 2018, a Chinese military officer joined the Higher Defence Management Course in the Indian College of Defence Management in Secunderabad.
Nonetheless, both China and India have been enhancing their military infrastructure on their respective side of borders.\textsuperscript{113} China intends to build three airports in Lhoka, Shigatse and Ngari, bordering India, Bhutan and Nepal, in addition to all the airports built around the LAC.\textsuperscript{114} These airports along with an additional runway in Lhasa, also known as 3+1 projects, will begin in 2019 and be completed by 2021. Although, these airports are being built to cater to the civilian sector, their proximity to the LAC, low population density in Tibet’s border areas and shorter weather window for tourists, indicate that they will play a military role in future. General status of infrastructure construction has continued in Doklam, Chumbi Valley, Ladakh and Arunachal Pradesh sectors.

Similarly, Indian border road construction projects are getting nearer to completion. Major bridges in Assam and Ladakh were inaugurated during this period and the overall access to far-flung outposts has improved substantially.\textsuperscript{115} Therefore, one gets a sense that although the Wuhan Summit reduced the probability of conflict between India and China, the relationship still contains heavy amounts of suspicion against mutual intentions. The bilateral military capability augmentations and dual use infrastructure build-up indicate towards future contingency preparations. Nevertheless, simultaneous military diplomacy and recurrent exchanges give an impression that neither side prefers to blow their differences into major disputes at the moment.

**Contentious Issues: Terrorism**

India and China have major differences over the terrorism and its perpetrators. India blames Pakistan-sponsored jihadi groups as main culprits behind most of terrorist attacks in Jammu & Kashmir state and beyond. China, however, considers Pakistan as a victim of terrorism and overtly supports its interests in local and international forums. One such case relates to the designation of a Pakistani citizen, Masood Azhar, as terrorist under 1267 Committee in the UN.

Masood and his group, Jaish-e-Mohammad, committed multiple major terrorist attacks in India, including attacks on the Parliament, the Jammu & Kashmir State Assembly and hijacked civilian aircraft. India was able to get his group designated as a terror group in the UN.\textsuperscript{116} However, on the Masood himself, China became a hindrance in his designation as a terrorist, due to Pakistan’s lobbying. India presented a number of evidences to prove Masood’s culpability in terrorist attacks. However, China imposed its technical hold, four times and scuttled the move.\textsuperscript{117} These successive Chinese objections and demands for additional evidences, hit the post-Wuhan bonhomie substantially. Questions were asked over the nature and intention of Chinese demands, when rest of the 1267 Committee members were satisfied with existing evidences.

Finally, after facing China’s fourth technical hold in March 2019, in the post-Pulwama terror attack scenario, France, Britain and the US along with other members, decided to bring the resolution for open discussion in the UN Security Council. So far, the discussion among member countries over terror designation had happened in the informal domain and therefore, China could maintain its stand.\textsuperscript{118} A public discussion in the UNSC and the consequent loss of face, as a terrorist supporter state, became a troubling situation for China.\textsuperscript{119} Therefore, China opposed the move and lashed out on sponsoring countries.\textsuperscript{120} Nevertheless, soon it ran out of options and with a bit of help from Indian diplomacy, China became compelled to withdraw its technical hold and allow Masood to be designated as a terrorist.\textsuperscript{121} It could partially save its face yet it felt outsmarted by the US, France and UK, while losing an opportunity to gain moral high ground vis-à-vis India.
BRI and Regional Integration Forums

India has remained opposed to the Belt and Road Forum, even though it has the second largest share in the Asian Infrastructure Investment Bank (AIIB) and the New Development Bank (NDB) bank, based in China. Indian opposition is based on China-Pakistan Economic Corridor (CPEC)'s violation of Indian territorial integrity in the Pakistan-ruled Kashmir. India also opposes lack of consultation on project allotments under the BRI plan. Chinese companies' excessive domination over BRI projects, coupled with opacity in BRI loans from Chinese banks, has further hindered Indian enthusiasm. India had, therefore, formally opposed BRI with a written statement before its inaugural summit.

Lately, Indian apprehension has gathered momentum after a Sri Lankan loan default helped China to acquire its Hambantota Port for 99 years. Encouraged with Indian opposition, even BRI supporting countries have questioned the initiative and its mega investment projects. Myanmar reduced the loan portion for its Kyaikpyu port development project, while Malaysia renegotiated the cost of Chinese rail and infrastructure projects. Being a major economy with a better fiscal situation, India remains a major attraction as well as a major failure of the BRI program. Despite India's massive investment requirements in its infrastructure and manufacturing sectors, BRI has not succeeded in India, due to political, security and transparency concerns.

Instead, India has preferred to closely align with democratic countries in the Indo-Pacific and beyond, namely, with Australia, Japan, the US and Singapore, among others. The trade and investment relations between India and these countries have consistently grown. In the political and security spheres, although the Quadrilateral Security Framework is yet to gain momentum, the naval coordination and joint exercises have become prominent and frequent. The Malabar Exercises have expanded their scope year-after-year. Member navies have gained visibly in interoperability, intelligence sharing, submarine hunting tactics and maritime domain awareness. India-Australia military exercises have intensified in a short period and chances of Australia joining Malabar have brightened up.

China considers these developments as emerging threat scenarios which aim to contain its rise in the Indo-Pacific region. Therefore, China retaliates through needling incidents at India-Tibet Border, naval forays into the Indian Ocean, naval exercises with and weapon supplies to Pakistan, depending on their suitability, to put pressure on India. However, these have a decreasing rate of return which complicates their bilateral interactions.
The Doklam Standoff emerged as a jolt to India and became harmful for its pro-China policy makers and experts. For a long time, India’s pro-China lobby fumbled for a credible explanation on this Chinese move, especially against a small and peaceful Bhutan. The hawks gained the upper hand and have since, considerably influenced the Indian policy making. However, the change in global political situation and lack of reliable support from its ‘strategic partners’ led India to reconsider its position vis-a-vis China. China, too, faced economic headwinds due to the US tariff hike and general deterioration in its external security environment. Among all these setbacks, it was a judicious course for both countries to meet in Wuhan and seek a reset. The follow-on summit is expected to be held in India this year.

Nevertheless, fundamental complications in their bilateral relationship squander every political understanding in a few months. China and India both have two different political systems which are based upon completely different political philosophies. China, predictably, considers an economically developed and militarily strong, democratic India, not only a threat to its national security but also an existential political challenge. Indian democracy’s success sharpens Chinese people’s awareness of their plight in a totalitarian state. Therefore, provided this fundamental contradiction remains valid between both countries, no amount of political and diplomatic understanding will survive for more than a few months.

The lack of mutual understanding is another factor that complicates the bilateral relationship. The Chinese language is difficult to learn and therefore, lack of language training limits Indian understanding of China. The linguistic ignorance is prevalent among common people as well as senior scholars, experts and policy makers. In addition, the Indian media has limited expertise on the nuances of Chinese politics and communication strategies. Therefore, over-excitement on misinterpreted messages and sensationalism rule the roost. To illustrate, if a Chinese policy maker stated in New Delhi that he ‘understands Indian aspirations for and the Indian stand on the UNSC permanent membership’; the Indian media will interpret it as the Chinese support to the Indian candidature. Unless further investments are channelled towards Chinese studies in India and mutual understanding matures, these misinterpretations will keep constraining Indian policy making on China.

Furthermore, the India-China relationship remains conflict-free at the moment and reflects traces of a move towards competitive co-existence. It is further riddled with heavy doses of suspicion against mutual aspirations and intentions. This has led to consistent military capability augmentation and infrastructure developments at borders on both sides. China’s forays into the Indian Subcontinent and the Indian Ocean, which India considers its traditional influence zones, is further complicating and aggravating the security situation in the Indo-Pacific. At the same time, China’s wariness of the US Governments’ actions on trade, economy and naval affairs in the South China Sea, increases India’s leverage to manoeuvre in the region. However, lack of credible options compels India to hedge in every direction.

Therefore, India is keeping one foot in the Quad while maintaining its economic and diplomatic engagements with China. It has maintained relatively decent economic and military engagements with the US while continuing with its military trade with Russia. For India at present, there are no easy choices in the regional and world politics. Therefore, even though Wuhan Summit’s sentiments linger on between India and China, both still remember lessons from the Doklam Crisis.
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