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Li Keqiang's India Visit: Impact on Asian Geopolitics

By Rupakjyoti Borah

Synopsis

Chinese Premier Li Keqiang's landmark visit to India failed to achieve anything substantive. The ill-timed intrusion of Chinese troops into Indian territory in Ladakh queered the pitch for the visit even before it began.

Commentary

THE VISIT of Chinese Premier Li Keqiang to India on 19-22 May 2013 served to show the new Chinese leadership's interest in strengthening its ties with India. That is not surprising given the burgeoning economic ties between the two countries and the problems that China has in its extended neighbourhood. In addition, the geopolitics of the region is rapidly changing with the upcoming withdrawal of Western forces from Afghanistan.

The run-up to the Chinese premier's visit was queered by the intrusion of Chinese troops into Indian territory in the Depsang Bulge area of the border state of Jammu and Kashmir. Chinese troops intruded almost 19km into Indian territory, which rang alarm bells in the political and diplomatic establishment in India. After much brouhaha, the Chinese troops withdrew in time for the Indian External Affairs Minister's visit to China which took place on May 9-10.

Whither China-India ties?

That Li Keqiang chose India to be his first stop on his maiden foreign tour shows that the new Chinese leadership is willing to recognise India's importance in Chinese foreign policy. Premier Li knows very well that both India and China have a stake in ensuring the stability of Afghanistan, especially as continuing instability in Afghanistan would only add to China's problems in its restive Xinjiang region.

There is no denying that relations between the two Asian giants have been bedevilled by a series of contentious issues.

Firstly, though China-India trade stood at US\$66.5 billion in 2012 and is projected to increase to \$100 billion by 2015, the balance of trade is hugely tilted in China's favour with the trade deficit standing at \$29 billion in 2012. Meanwhile, Indian pharmaceutical companies have been complaining that China has not given them liberal access to the Chinese market. While welcoming growth in the trade volume with China, India has to keep in mind that it is important to reduce this large trade deficit.

Secondly, the border issue has seen no progress for a long time. China claims the whole of the Indian province of Arunachal Pradesh as Chinese territory, which rankles India. Then there is the issue of the Dalai Lama and a large Tibetan refugee population in India. While China is in no mood to engage with the Dalai Lama, the recent spate of self-immolations in Tibet has brought the Tibet issue once again to the forefront. Thirdly, the sharing of river waters is another contentious issue; it is in New Delhi's interests to press Beijing to have a water sharing agreement in place before China builds dams on rivers which flow to India.

In the recent past, there have been reports that China has built dams on the *Yarlung Tsangpo* (which flows as the Brahmaputra in Northeastern India), but the Chinese have denied that and said that these are only run-of-the-river dams and are not meant to store water.

There was no progress on the vexed boundary question between India and China during the visit of Premier Li. The joint statement issued at the end of his visit merely noted that "the leaders expressed satisfaction over the work done so far by Special Representatives of the two countries on the Boundary Question and encouraged them to push forward the process of negotiations and seek a framework for a fair, reasonable and mutually acceptable settlement...."

With elections in India due next year, the ruling Congress-led United Progressive Alliance (UPA) would not like to be seen as being soft towards China. In addition, there has been growing competition between Indian and Chinese state-owned oil companies in various parts of the world. Li Keqiang's visit to India therefore served to underscore that there are plenty of issues that need to be settled between the two countries before normalcy can be restored in the relations between the two Asian behemoths.

While many observers across the world have been talking and writing about an "Asian Century", what the coming decades will look like will depend to a large extent on how relations develop between China and India, which are also the two most populous countries in the world.

Implications for wider Asia

China has realised that backing Pakistan as a *bete noire* to India has achieved limited success and has largely backfired, resulting in India moving closer to the United States and to Asian powers like Japan and Vietnam. With the reinstatement of a nationalistic Shinzo Abe-led government in Japan, China has had its fair share of troubles to its east.

Towards the north, although China's relations with Russia have been cordial, the Russians are still suspicious of China's growing influence, especially in the Russian Far East. There is no doubt that the Chinese have tried to repair that front as Russia was the first destination for the new Chinese President Xi Jinping on his maiden foreign tour.

The new Chinese foreign minister Wang Yi visited four Southeast Asian countries - Thailand, Indonesia, Singapore and Brunei - between April 30 and May 5 to reassure them of China's good-neighbour policy. While this is welcome, it also reflects China's desire to counter the US "pivot" towards the Asia-Pacific. One of the ways of doing so is by increasing economic engagement with these countries.

It is noteworthy that the foreign minister did not visit Vietnam and Philippines, with which China has been mired in territorial disputes. This, in itself, is a clear indication that China would not be willing to give up on what it terms as its core national interests and the new Chinese leadership will not be very different from the previous regime when it comes to vigorously pursuing its national interest.

Rupakjyoti Borah is a Visiting Fellow at the Asia-Pacific College of Diplomacy at the Australian National University (ANU), Canberra and an Assistant Professor of International Relations at the School of Liberal Studies, Pandit Deendayal Petroleum University, India. He contributed this personal commentary for RSIS Commentaries.