

Probing the Bounds of the Post-1991 Sino-Indian Rapprochement: A Focus on the Border Talks*

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Focusing on the Sino-Indian border negotiations, this article argues that there is a limit to rapprochement and that Sino-Indian ties are still fraught with friction and disputes that imply the persistence of an enduring rivalry. The article gives the historical background of the China-India border dispute and examines events and developments that precipitated a Sino-Indian rapprochement in the 1990s, analyzing the underlying tensions underneath this facade of warming relations. It discusses important developments during border negotiations between the two countries. The conclusion holds that the current Sino-Indian reconciliation is slowly being eroded by a growing power asymmetry between the two states that will diminish the prospects for an early settlement of their border dispute and, possibly, usher in a new era of China-India rivalry.

KEYWORDS: India; China; border negotiations; Sino-Indian ties

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The last decade of the twentieth century has witnessed the emergence of what American Sinologist Paul H.B. Godwin has described as an "extensive and ultimately raised apprehension in most parts of Asia of a

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potentially aggressive China."¹ This phenomenon could be traced to the People's Republic of China's (PRC's) build-up of its naval and air power and, since 1992, assertiveness in pursuing its territorial claims in the South China Sea.² These developments have made a number of East Asian states wary of the PRC's long-term intention.³ Such apprehension toward the PRC, however, seemed to be absent in South Asia in the early 1990s. China has maintained close military ties with Pakistan and has been supportive of the latter's efforts at military modernization directed against the region's biggest power—India. Beijing has also taken steps to improve its relations with India. Both China and India have tried to ensure that their common interests were likely to outweigh their differences through the 1990s.⁴ Hence, Sino-Indian bilateral relations appeared to improve in the early 1990s. This was reflected in the following developments: the agreement to settle their mutual border problem peacefully; New Delhi's reaffirmation of China's sovereignty over Tibet; China's expression of support for India to be admitted to the Asia-Pacific Economic Cooperation (APEC) forum; India's pledge to facilitate the PRC's entry to the World Trade Organization (WTO); and the reaffirmation made by both countries to uphold the Five Principles of Peaceful Coexistence as the basic norm of international relations.⁵

The two sides, however, are still far from being close friends. By 1994 both countries had begun to see each other as potential protagonists despite their rhetoric of their common contribution to human civilization, adherence to the cause of the developing states, and emphasis on the need

¹Paul H.B. Godwin, "Force and Diplomacy: China Prepares for the Twenty-First Century," in *China and the World: Chinese Foreign Policy Faces the New Millennium*, ed. Samuel S. Kim (Boulder, Colo.: Westview Press, 1998), 178.

²International Institute for Strategic Studies (IISS), *The Strategic Survey 1992-1993* (London: Brassey's, 1993), 134.

³Richard I. Grant, "China's Domestic and Foreign Policies: An Overview," in *China and Southeast Asia: Into the Twenty-First Century*, ed. Richard I. Grant (Honolulu and Washington, D.C.: Center for Strategic and International Studies, 1993), 7; Wayne Bert, "Chinese Policies and U.S. Interests in Southeast Asia," *Asian Survey* 33, no. 3 (March 1993): 327.

⁴"Hands Across the Himalayas," *The Economist*, September 11, 1993, 31.

⁵Deng Haipen, "China, India Set to Improve Ties," *Beijing Review* 40, no. 11 (March 17, 1997): 11.

for closer bilateral ties. This paper asks the question: Despite the apparent improvements in Sino-Indian relations in the early 1990s, why have both countries begun to see each other as potential threats? The paper examines events and developments that precipitated a Sino-Indian rapprochement and analyzes the underlying tensions underneath this facade of warming relations that began to emerge after 1993. Focusing on the Sino-Indian border negotiations, the paper argues that there is a limit to this rapprochement and that Sino-Indian bilateral relations are still fraught with friction and disputes that imply the persistence of an enduring rivalry.

The Sino-Indian Territorial Dispute and Geopolitical Rivalry

Sino-Indian ties have been far from being a normal bilateral relationship. Just like any relations between two adjacent and regional powers, the relationship between these two countries has been fraught with rivalry, outright conflict, and occasional cooperation. India was one of the first states to establish diplomatic relations with the PRC in April 1950. This was followed by a Chinese-Indian entente in the 1950s that had been based on their jointly formulated Five Principles of Peaceful Coexistence and a common agenda of championing the newly independent and anticolonial non-alignment cause of Third World states during the Cold War. However, this entente deteriorated as geopolitical rivalry between the two states became more dominant in the late 1950s and early 1960s.

This rivalry was triggered by a territorial dispute along the 2,500-mile Chinese-Indian frontier. Upon gaining independence in 1947, India inherited and maintained the British legacy of treating the McMahon Line as the de facto frontier between India and Tibet. Named after Sir Henry McMahon, this border between India and Tibet followed the watershed of the Himalayas, was about 100 miles from the plains of Assam, and acted as the intervening buffer zone that consisted of difficult hills and valleys.⁶

⁶John B. Allocated et al., *Border and Territorial Disputes* (Essex, U.K.: Longman Group, 1992), 430.

After occupying Tibet and later suppressing the Tibetan uprising in March 1959, Beijing declared that the PRC "absolutely does not recognize the so-called McMahon Line between India and Tibet and began accusing India of unlawfully occupying Chinese territory."⁷ In its September 10, 1959 note verbal to Beijing, New Delhi reiterated that the McMahon Line was the international boundary between India and Tibet "though it was prepared to discuss the exact alignment of the line at places where it departs from the geographic features marking the international boundary."⁸

Consequently, the years 1959-62 were marked by heightened tension, a barrage of correspondence containing charges and self-justifications, and increased military preparations on both sides of the Sino-Indian frontier. India tried to strengthen its claim on the western sector of the McMahon Line by sending patrols behind Chinese outpost north of the line. On October 20, 1962, the Chinese People's Liberation Army (PLA) launched an offensive at the western and eastern ends of the McMahon Line. Chinese troops advanced one hundred miles south of the McMahon Line at the western end and twenty-five to thirty miles south at the eastern end, threatening the plains of Assam. On November 21, 1962, the Chinese government declared that its troops would observe a cease-fire, withdraw to positions twelve miles north of the McMahon Line, and set up checkpoints on the Chinese side of the line of actual control (LAC) existing on November 7, 1959. The Indian government, however, demanded a restoration of the status quo ante of September 2, 1962. Beijing bluntly rejected this demand.

As a consequence of the 1962 border war between China and India, the PRC ended up occupying 14,500 square miles of territory in the Ladakh region of Jammu and Kashmir states at the eastern end of the McMahon Line. The PLA also established checkpoints at Dhola and Lonju, at the western end and in the central sectors of the McMahon Line, respectively. Since 1962, the PRC maintained effective control of the Aksai Chin plateau that runs over Ladakh and Kashmir in northwest India that New Delhi still claims as part of its territory, and India has occupied the Northeast Frontier

⁷Ibid., 431.

⁸Ibid.



Agency (NEFA) now called "Arunachal Pradesh," an area south of the McMahon Line that Beijing claims as part of its territory. The Sino-Indian Border War also marked the beginning of the longstanding territorial dispute and was the key that opened the Pandora box containing the elements of geopolitical rivalry between these two Asian powers.

During the rest of the 1960s and early 1970s, Sino-Indian relations were characterized by mutual antagonism, rivalry, distrust, and hostility as the PRC began to play a balancing role in the South Asian power equation during the Cold War and as it began supporting the communist insurgency in India. The Sino-Soviet split of the late 1960s, the Indo-Pakistani animosity, and the subsequent Sino-Pakistani alliance further exacerbated the Sino-Indian contention. Bilateral relations, however, began to improve in the mid-1970s as diplomatic relations were restored to the ambassadorial level in 1976. In the early 1980s, India and China conducted various indirect diplomatic moves aimed at improving the climate for the resolution of their territorial dispute and for the normalization of their bilateral relations. The two countries organized limited trade and cultural exchanges in an effort to resolve their territorial dispute and other strategic disagreements.

Any hope of an improvement in the Sino-Indian relationship then became dim in mid-1986 over alleged Chinese intrusion into the Sumdorong Chu Valley. This led to renewed tension along the Sino-Indian border resulting in armed clashes, and also caused a fresh spate of accusations, counteraccusations, and Beijing's warnings of serious consequences to New Delhi.⁹ From April to May of 1987, the two armed forces clashed as Indian troops fired over the heads of PLA soldiers threading their way up to a valley to a ridge that was occupied by the Indians. Beijing conveyed a message via Washington that China would have to teach India a lesson if the latter does not stop nibbling at Chinese territory.¹⁰

⁹J. Mohan Malik, "China-India Relations in the Post-Soviet Era: The Continuing Rivalry," *The China Quarterly*, no. 142 (June 1995): 318.

¹⁰For details regarding the 1987 clash between India and China in the Sumdorong Chu Valley, see Ramesh Thakur, *The Politics and Economics of India's Foreign Policy* (New York: St. Martin's Press, 1994), 73.

The PRC, however, retreated from another border war with India, fearing that the latter could no longer be forced back from the border. Beijing realized that if it was to gain an initiative on any border dispute with New Delhi, it would have to restructure its armed forces and modify its military strategy in dealing with territorial disputes. This meant making military modernization the number one priority in its overall modernization plan in the 1980s.¹¹ On the other hand, a well-prepared Indian army was confident that it could prevent a reoccurrence of India's humiliating defeat in the 1962 border war, and thus New Delhi found no incentive to provoke Beijing in another showdown along the Sino-Indian border.¹²

The Sino-Indian Rapprochement, 1987-93

Sino-Indian relations, however, experienced a major improvement in

¹¹In 1985, the Chinese political leaders decided to change the PRC's strategic doctrine from preparation for an early and full-scale war to adaptation for local and limited wars around China's border. To the PRC's military leadership, local and limited wars may take the forms of: (1) small-scale conflicts restricted to the border areas; (2) conflict over territorial seas and islands; (3) surprise air attacks; (4) defense against deliberately launched limited attacks against Chinese territory; and (5) a punitive counterattack launched by the PRC into an enemy territory to "oppose invasions, protect sovereignty, or to uphold justice and dispel threats." If any conflict occurs, the PLA leadership assumed that it would remain localized, would be of short duration, would be fought for limited objectives, and would be won by the party that could concentrate the most number of units equipped with high-tech weapons and capable of rapid and decisive reaction. Consequently, the PLA began to modify its strategic doctrine of "people's war" to the so-called "people's war under modern conditions" or sometimes labeled as the "doctrine of rapid response." Adjustments to this new strategic doctrine required the PLA to restructure its huge continental-type armed forces "to a lean, mean, flexible, and a technologically-oriented armed force." This involves the transformation of the PLA into an armed force capable of "fighting partial wars under high technology conditions." This would necessitate the development of the PLA's capability for "unified operation of land, naval, air, and space forces under the C³I [command, control, communication, and intelligence] system" and a concentration of its efforts from an emphasis on "quantity to quality." See Paul H.B. Godwin, "Force Projection and China's National Military Strategy," in *Chinese Military Modernization*, ed. C. Dennison Lane, Mark Weisenbloom, and Dimon Liu (Washington, D.C.: AEI Press, 1996), 70-71; "Army Building Should Reflect High-Tech World," *Jiefangjun bao* (Liberation Army Daily), January 3, 1992, in Foreign Broadcast Information Service, *Daily Report-China* [hereafter *FBIS-CHI*]-92-023 (February 4, 1992): 40-45; and "Ingredients of Active Defense Strategy Discussed," *Zhongguo guoqing guoli* (China National Conditions and Power Monthly), November 28, 1995, in *FBIS-CHI*-96-034 (February 20, 1996): 24-27.

¹²Gary Klintworth, "Chinese Perspectives on India as a Great Power," in *India's Strategic Future*, ed. Ross Babbage and Sandy Gordon (New York: St. Martin's Press, 1992), 103.

the later part of the 1980s as Indian Prime Minister Rajiv Gandhi made a path-breaking visit to the PRC in December 1988. His visit to Beijing led to a general warming of relations between China and India. The Sino-Indian summit also led to the signing of several agreements such as the formation of a joint working group on the Sino-Indian border and an annual exchange visit of foreign ministers.¹³ More importantly, both countries for the first time agreed to downplay their emphasis on historical treaties and legal arguments and instead focus on resolving this dispute on the basis of their emerging common interests and on mutual bargaining and understanding.¹⁴

The Sino-Soviet rapprochement in the late 1980s, the collapse of the Soviet Union, and the consequent Russian-Chinese entente removed the PRC's main geopolitical rival and India's most reliable ally against China. Hence, if Sino-Indian relations were to deteriorate again and the risk of another confrontation between these two Asian states would loom, India could no longer count on Soviet support. This prompted New Delhi to re-think its policy toward the PRC.¹⁵ On the other hand, Soviet withdrawal from Afghanistan and the Soviet Union's neutral position during the Sino-Indian tension in the mid-1980s removed the possibility of a Soviet encirclement of the PRC. As a result, China became more secure in its surroundings and no longer felt the danger of being encircled by hostile states. This favorable strategic environment gave China the leeway to move away from its two-decade-old policy toward South Asia of "one friend, one enemy" and toward that of a "two friends" policy.¹⁶

The collapse of the Soviet Union and the beginning of the post-Cold War era in 1992 hastened the thaw in Sino-Indian relations. Deprived of

¹³For details of the improvement of Sino-Indian relations after 1987, see John W. Garver, "Sino-Indian Rapprochement and the Sino-Pakistani Entente," *Political Science Quarterly* 111, no. 2 (Summer 1996): 325.

¹⁴Xuecheng Liu, *The Sino-Indian Border Dispute and Sino-Indian Relations* (Lanham, Md.: University Press of America, 1994), 143-44.

¹⁵John W. Garver, "China and South Asia," *The Annals of the American Academy of Political and Social Science* 519 (January 1992): 68-69.

¹⁶Raju G.C. Thomas, *South Asian Security in the 1990s*, Adelphi Paper #278 (London: Halstan; Amersham Bucks, 1993), 13.

the space provided by the bipolar world, Beijing and New Delhi found their leverage and relative autonomy in international affairs severely restricted. This is because both were now confronted by a powerful and victorious United States as the sole superpower. Moreover, American diplomatic pressure on both countries in respect to human rights, nuclear proliferation, and trade has further complicated Washington's relations with New Delhi and Beijing. On the one hand, China has been resentful of Washington's pronouncements on the issues of human rights, weapons sales, nuclear technology transfer, and trade issues. At the same time, the United States has been pressuring New Delhi on the issue of nuclear weapons, missile proliferation, protection of intellectual property rights, and economic liberalization. Both Beijing and New Delhi have perceived these actions as American intrusions into their domestic politics and a clear violation of their sovereignty.¹⁷

Consequently, both countries found some "points of convergence." These points included environmental concerns, human rights, nondiscriminatory access to technology, a new world order responsive to the need of developing countries, and a common position that the United States cannot tell "two great and ancient civilizations" what to do regarding their human rights policies.¹⁸ Sino-Indian reconciliation occurred in a period of history when both countries were seeking new international roles for themselves in the context of an emerging unipolar international system and amidst growing fears about an excessive American influence in this emerging world order. Both Beijing and New Delhi saw the emergence of the U.S.-led concert of Western and industrialized powers that could limit their autonomy. The possibility of an assertive and rampant Western alliance in this post-Soviet international system gave China and India significant common interest in regional and international affairs in preventing any nascent Western hegemony in the post-Cold War era. In a joint statement during Chinese Premier Li Peng's visit to India in 1991, the two countries con-

¹⁷Surjit Mansingh, "Indian-China Relations in the Post-Cold War Era," *Asian Survey* 34, no. 3 (March 1994): 287.

¹⁸Lincoln Kaye, "Bordering on Peace: China and India Ease Tensions along Frontier," *Far Eastern Economic Review*, September 16, 1993, 13.

demned the so-called international oligarchies and insisted that no country or alliance should be permitted to manipulate world affairs and practice power politics—this was a clear reference to the United States and the industrialized countries, primarily Japan and the European Union.¹⁹

Moreover, both India and China's programs of economic liberalization, India's fairly relaxed attitude toward its military balance vis-à-vis Pakistan and China in the early 1990s, their common geopolitical interest in confronting the American strategy of preventing the emergence of regional hegemony, and a common cause against separatist and Islamic fundamentalist movements have all strengthened these points of convergence.²⁰ A more important and decisive factor behind the post-1991 Sino-Indian reconciliation had something to do with both countries' interest in the "peace dividends" that they could derive from any major improvement in their bilateral relations. Chinese leaders hoped that a peaceful international environment and internal stability would enable the PRC to focus attention on its ambitious program of economic and military modernization. China's top foreign policy priority in the aftermath of the collapse of the Soviet Union was thus economic development that necessitated a peaceful and stable international environment. The PRC then was willing to improve relations with any country along its periphery so as to create a long-term peaceful and stable environment for China's modernization thrust in the 1990s.²¹ Hence, the nurturing and enhancement of friendly Sino-Indian ties became the key element in Chinese diplomatic strategy toward South Asia.

On the other hand, India also saw important benefits in improving relations with the PRC. In the later part of the 1980s, the Indian armed forces underwent an expansion in terms of the mechanization of the army, navy, and air force. Consequently, this led to a situation where all the three

¹⁹Thakur, *The Politics and Economics of India's Foreign Policy*, 84.

²⁰Thomas, *South Asian Security in the 1990s*, 14-39. Also see Raju G.C. Thomas, "The Security and Economy of a Reforming India," in *Asia's International Role in the Post-Cold War Era*, Adelphi Paper #276 (London: Halstan; Amersham Bucks, 1993), 68-69.

²¹Wang Hong Yu, "Sino-Indian Relations: Present and Future," *Asian Survey* 35, no. 6 (June 1995): 349-50.

services experienced a shortage of cash and spare parts for their newly acquired hardware. This adversely affected the maintenance needs and preparedness of the Indian armed forces. As a result, the mechanization, the creation of mobile units, and the expansion of the navy and air force were all shelved at the beginning of the 1990s and by early 1993, the Indian military leadership had accepted some budgetary constraints in their long-term planning.²²

The collapse of the Soviet Union further compounded the financial problems of the Indian armed forces.²³ For the Indian military, the collapse of the Soviet Union in 1991 meant the loss of the old and comfortable terms of armaments purchases, nominal prices, barter, and rupee payment with easy credits. More importantly, the collapse of the Soviet Union also resulted in such problems as the lack of spare parts and ammunition and the nonfulfillment of maintenance contracts. The disruption in Indian-Russian military ties in the aftermath of 1991 brought serious concerns over the Indian armed forces' capability and preparedness for conventional warfare against either Pakistan or China.²⁴ Consequently, the Indian military leadership became increasingly concerned that its conventional forces would find themselves overstretched in the event of a two-front war against both China and Pakistan. This partly explained the reason why the Indian military was so enthusiastic about the Rao government's historic agreement with China to freeze the border issue and to initiate a process of mutual military disengagement and withdrawal along the Sino-Indian border. From the Indian military's point of view, a political settlement with the PRC

²²Shekhar Gupta, *India Redefines its Role*, Adelphi Paper #293 (New York: Oxford University Press, 1995), 38-39.

²³During much of the Cold War period, the Indian armed forces have been heavily reliant on the Soviet Union for high-tech combat systems. With the exception of indigenous low-tech development and production of various items for the Indian army, much of the weapons procurement strategy for the Indian air force and navy has tended to favor overseas purchases and licensed production, mostly from the Soviet Union. See Raju G.C. Thomas, "Arms Procurement in India: Military Self-Reliance versus Technology Self-Sufficiency," in *Military Capacity and the Risk of War: China, India, Pakistan, and Iran*, ed. Eric Arnett (New York: Oxford University Press, 1997), 13.

²⁴Kanti Bajpai, "India's Modified Structuralism," in *Asian Security Practice: Material and Ideational Influences*, ed. Muthiah Alagappa (Stanford, Calif.: Stanford University Press, 1998), 182.

would add depth to India's strategic reserve, increase time and resources for improved training, and roll back the costs of maintaining units in such logistically distant areas as those that were deployed in the Sino-Indian border.²⁵ Moreover, the Indian military considered a rapprochement with China as a respite that could enable New Delhi to initiate a process of long-term restructuring and reorganization of a smaller and leaner force structure that would give the Indian forces the necessary capacity to confront the PLA more effectively in some future conventional wars.

Consequently, the early part of 1992 witnessed an improvement in Sino-Indian relations not seen since the 1950s. On January 17, 1992, Indian Defense Minister Sharad Pawar stated that relations between China and India had greatly improved because the situation in the China-Indian border had remained stable. In his interview with Indian reporters in New Delhi, Minister Pawar attributed this situation to China, which according to him "is an important factor for keeping the [Sino-Indian border] peaceful and stable."²⁶ This was followed by Indian Prime Minister P.V. Narasimha Rao's announcement that he was confident that the Sino-Indian border would remain quiet. He also expressed his optimism that "the final settlement of the [Sino-Indian] border issue would not be affected or influenced by anything."²⁷ The PRC reciprocated India's public expressions of goodwill and amity. On India's 42nd Republic Day, PRC President Yang Shangkun and Premier Li Peng sent messages of felicitation to their Indian counterparts. The two Chinese leaders expressed hope that friendship and cooperation between India and China would flourish. They also announced Beijing's desire to strengthen good neighborly relations and to promote mutually beneficial exchanges in technical and cultural fields.²⁸

Amidst this atmosphere of goodwill and amity, the two countries held the fourth meeting of the Sino-Indian Joint Working Group on February

²⁵Thakur, *The Politics and Economics of India's Foreign Policy*, 86.

²⁶"Indian Defense Minister Says Relations Improved," Xinhua Domestic Service, January 17, 1992, in *FBIS-CHI-92-013* (January 21, 1992): 16.

²⁷"Indian Premier Credits Li with Quiet Border," Xinhua, January 21, 1992, in *FBIS-CHI-92-015* (January 23, 1992): 14.

²⁸"Yang Shangkun, Li Peng Greet Indian Counterparts," Beijing Radio, January 26, 1992, in *FBIS-CHI-92-018* (January 28, 1992): 13.

20-21, 1992 in New Delhi. In the aftermath of the meeting, both sides stated their confidence that the boundary issues would be resolved through joint effort and called for an increase in exchanges in other areas of cooperation in the context of the "new challenges in the world."²⁹ Both sides also agreed on regular meetings between their military personnel at the eastern and western sectors of the Sino-Indian border and the establishment of communication links to increase trust and confidence in the areas along the LAC. Then, in May 1992, Indian President R. Venkataraman made a six-day state visit to China where he met his Chinese counterpart Yang Shangkun, General Secretary of the Chinese Communist Party Jiang Zemin, and Premier Li Peng. During his visit, President Venkataraman issued a statement that declared that both countries have agreed that the use of force or the threat of the use of force as a means of settling disputes should be firmly abjured in relations between nations.³⁰ The statement has also emphasized that both countries should "play an important role in the advancement of developing countries and should safeguard the interest of the developing world."³¹ Interestingly, the statement also mentioned that both sides agreed that the "boundary question was complex and was far from being resolved."

Then in July 1992, India and China resumed the border talks as the two states began trade relations between Gunji in India's northern state of Uttar Pradesh and Pulan in China's Tibet.³² After a lag of over thirty years, border trade in this part of the Sino-Indian border was resumed. The resumption of border trade between the two countries was followed by the Indian defense minister's five-day official visit to China, the first ever Indian defense minister to officially visit the PRC. During his visit, Defense Minister Sharad Pawar met China's State Councilor and Minister of National Defense Qin Jiwei. The two ministers exchanged views on a wide

²⁹"Sides Confident of Resolving Dispute," Xinhua, February 21, 1992, in *FBIS-CHI-92-036* (February 24, 1992): 20.

³⁰"Issues Statement," Xinhua, May 24, 1992, in *FBIS-CHI-92-101* (May 26, 1992): 18-19.

³¹*Ibid.*, 18.

³²"Border Trade with India Resumed," Xinhua, July 17, 1992, in *FBIS-CHI-92-140* (July 21, 1992): 11.

range of international and regional issues and discussed the possibility of increased friendly exchanges between the two armies.³³ Pawar also met Li Peng, who noted that despite new and substantial progress in Indian-Chinese relations, there are still difficulties in these bilateral relations such as "the Sino-Indian boundary question that is a remnant of history."³⁴

The climax of post-Cold War Sino-Indian rapprochement occurred in September 1993, when Indian Prime Minister Narasimha Rao met his Chinese counterpart Li Peng during his state visit to Beijing. More significantly, the visit marked the two Asian leaders signing the Peace and Tranquillity Agreement on the Sino-Indian Border. This was a significant step aimed at easing the uneasy relations between the two neighboring states.³⁵ The two regional powers also agreed to reduce their forces along the common border while maintaining "mutual and equal security." The summit also provided the venue for the signing of several agreements such as trade in endangered species, border trade (including the opening of a second border crossing point), and an exchange of radio-television transmission. The summit led also to "quid pro quo" from both sides that was intended to produce a corresponding Indo-Pakistani rapprochement. China promised not to play the Pakistan card in its dealings with India, while the latter promised not to redeploy troops withdrawn from the Sino-Indian border on the Kashmir front and to negotiate with Pakistan for a similar agreement on a demarcation of the LAC and the reduction of border dispute.³⁶

This summit's greatest achievement was the signing of the Peace and Tranquillity Agreement that has stipulated that the border dispute between them should be settled through negotiation in a peaceful and friendly manner. This agreement has also declared that China and India would not resort to the use or threat of force. The agreement, however, is fraught with ambiguities. For one, the line of control has not been demarcated on the

³³"Meets Qin Jiwei," Xinhua, July 25, 1992, in *FBIS-CHI-92-144* (July 27, 1992): 7.

³⁴"Li Peng on New Stage in Ties," Xinhua, July 25, 1992, in *FBIS-CHI-92-144* (July 27, 1992): 7.

³⁵See note 18 above.

³⁶See note 14 above.

ground due to the "rough perception of the terrain."³⁷ The agreement stipulates that diplomatic and military experts under a joint working group would have to determine the details regarding the implementation of the agreement.³⁸ This indicated that both sides still have differences over what is the actual line of control, as both countries had to delegate this issue to experts who would have to resolve this problem. Pending a final resolution of the border dispute, the agreement has provided a very vague provision that specifies that both sides should strictly respect and abide by a non-existent LAC. Furthermore, the demarcation of an LAC may not provide the final resolution of the dispute since the agreement states that the "LAC would not prejudice the two countries' respective positions on the border issue."

Underlying the friendly rhetoric and the agreements signed during this summit were the ingrained and emerging disagreements between the two Asian states that became evident during this event. Although China indicated that it would not use the Pakistan card when dealing with India, Beijing assured Pakistan that it would not make any move at the cost of its South Asian ally. Pakistan now depended solely and primarily on the PRC for its national security needs against India as Pakistan had been deprived of any American support because of its nuclear weapons program. The PRC provided Pakistan with M-11 missiles, nuclear technology, and dozens of fighter planes, and assisted the latter to build tanks. By providing Pakistan with military assistance, China was impressing on India that it would not sever its strategic relations with Pakistan, that India should accept Beijing's military relations with Islamabad, and that New Delhi has no right to question this.³⁹ Nevertheless, Indian officials took the opportunity to raise their concerns about Chinese sales of missiles and nuclear technology to India's arch geopolitical rival in South Asia—Pakistan.

³⁷"Expert Groups to Implement Border Pact with the PRC," Delhi All India Radio Network, September 13, 1993, in FBIS, *Daily Report: Near East and South Asia* [hereafter *FBIS-NESJ*]-93-176 (September 14, 1993): 39.

³⁸"Delhi Radio Details Border Accord," Delhi All India Radio Network, September 7, 1993, in *FBIS-CHI*-93-171 (September 7, 1993): 24-25.

³⁹Garver, "Sino-Indian Rapprochement and the Sino-Pakistani Entente," 337.

Indian Minister of External Affairs J.N. Dixit raised this matter with his Chinese counterpart when he told Qian Qichen that "the supply of missiles to Pakistan is a matter of serious concern to New Delhi."⁴⁰ Indian officials also raised the topics of the Chinese arms flow to Myanmar (Burma) and the build-up of Chinese naval facilities that could one-day host the PRC's blue-water navy in the Bay of Bengal.⁴¹ New Delhi made clear its unhappiness with Beijing's assistance to Myanmar which India viewed as a gambit by the PRC to gain access to the Bay of Bengal.⁴²

Divergence over views toward the United States also became apparent during the summit when Li Peng criticized Washington for its "hegemonism and power politics" after a U.S. Navy vessel searching for chemical weapons boarded and inspected a Chinese ship in the Persian Gulf. Instead of joining Li Peng in his anti-American rhetoric, Rao preferred not to air India's quarrel with the United States publicly, despite the American move to block the Russian sale of rocket engines for India's commercial satellite launchers on the grounds of nonproliferation. These differences would become more apparent as both countries charted their respective course in the unknown waters of the post-Cold War era.

Exploring the Limits of Sino-Indian Rapprochement: The Border Talks

Made euphoric by the relative success of the September 1993 summit, China and India held a number of negotiations the following year. In February 1994, the two countries conducted two meetings aimed at maintaining peace along the Sino-Indian border and resolving their border dispute once and for all. The first was held in Kathmandu, Nepal and was intended to effect a disarmament regime along the Sino-Indian border. The

⁴⁰"Official on Missiles for Pakistan," Delhi All India Radio Network, September 7, 1993, in *FBIS-CHI-93-172* (September 8, 1993): 21.

⁴¹See note 18 above.

⁴²"Panelist Viewpoint of Rao's PRC Visit," Delhi All India Radio Network, September 8, 1993, in *FBIS-NES-93-177* (September 15, 1993): 48.

second and more important meeting was held in New Delhi and was convened to formulate the mechanics for the implementation of the Peace and Tranquillity Agreement. Although both sides agreed on some issues (such as the mandate of the working group and the methodology of negotiation that would be followed in the proceeding meetings), the talks brought no substantive results. The two countries exchanged views on how to resolve the issue of military confrontation along the LAC. However, both sides had disagreed on matters relating to the location of the actual line of control, the reduction of armed forces along the line, and the provision of prior information about military exercises and prevention of air intrusion.⁴³ Both sides differed on the parity of troop deployments along the Sino-Indian border and on the mechanics for the establishment of a reliable monitoring and verification regime along their common border. Consequently, both sides decided to meet again in Beijing to continue negotiation.⁴⁴

The New Delhi meeting was followed by the July 7 Sino-Indian Working Group Meeting that was held in Beijing "amidst a bright prospect for deepening relations between the two countries."⁴⁵ Under a so-called friendly atmosphere, representatives from the two countries conducted frank and in-depth exchanges of views on ways to reduce short-term military confrontations in some areas along the Sino-Indian border. However, both sides found arriving at a fair, reasonable, and mutually acceptable settlement of the Sino-India boundary dispute quite difficult and encountered disagreements regarding the actual location of the LAC along the border. A Chinese media source implied that India was not keen on settling the longstanding border dispute, as New Delhi emphasized the need to improve border conditions and establish closer bilateral relations in various fields prior to the resolution of the dispute.⁴⁶ India's efforts to delay the im-

⁴³"Talks with China on Confidence-Building Measures End," Delhi All India Radio Network, February 5, 1994, in *FBIS-NES-94-025* (February 7, 1994): 62.

⁴⁴"Border Talks with India End in New Delhi," Xinhua, February 4, 1994, in *FBIS-CHI-94-025* (February 7, 1994): 5-6.

⁴⁵"Qian Qichen Receives Indian Officials: Border Talks Open," Xinhua, July 7, 1994, in *FBIS-CHI-94-131* (July 8, 1994): 9.

⁴⁶"Indian Delegation Optimistic about Future Ties," China Radio International, July 12, 1994, in *FBIS-CHI-94-135* (July 14, 1994): 9.

plementation of the 1993 agreement became obvious when Indian Minister of External Affairs K. Srinivasan announced a new and prior condition before India would accede to a demarcation of the LAC.⁴⁷ He declared after the talks that "India is for equal, mutual, and balanced security. [And] New Delhi will not agree to any steps that do not contribute to this approach while deciding [the] reduction of troops along the LAC." India's reluctance to hasten the demarcation of the LAC stemmed from the opposition of domestic political groups that viewed the LAC as synonymous with an international boundary. These groups argued that the demarcation of the LAC would be a precondition to an eventual Indian government's transfer of the disputed Aksai Chin region to the PRC.⁴⁸ Consequently, the members of the working group were directed by their respective foreign ministry to continue their negotiations and "to adopt a constructive and positive approach in their future work."⁴⁹

A few days after the conclusion of the seventh round of the Sino-Indian border talks, Chinese Foreign Minister Qian Qichen paid a three-day official visit to India. As in other high-level Sino-Indian exchanges, Qian's visit was characterized by the signing of economic agreements and the discussion of bilateral relations and matters of regional and international interests for both countries. However, the visit could not hide the persistent differences between the two countries over a wide range of issues. Qian stressed the need to resolve the existing differences behind the border dispute.⁵⁰ He also struck a discordant note when he suggested that the party that deployed its military forces first in the disputed area should initiate the troop withdrawal along the Sino-Indian border. This echoed an old Chinese allegation that India was the aggressor in 1962 and this ran contrary to the spirit of the post-1991 Sino-Indian cooperation.⁵¹ His Indian counter-

⁴⁷"Comments on Pakistan, PRC, SAARC Summit," Delhi All India Radio Network, July 15, 1994, in *FBIS-NES-94-136* (July 15, 1994): 38-39.

⁴⁸See note 42 above.

⁴⁹"Joint Working Group Meeting with the PRC Detailed," Delhi ISI Diplomatic Information Service, July 8, 1994, in *FBIS-NES-94-134* (July 13, 1994): 4.

⁵⁰"Urges Solving Differences," Xinhua, July 18, 1994, in *FBIS-CHI-94-138* (July 18, 1994): 9.

⁵¹Gupta, *India Redefines its Role*, 56.

part, Minister K. Srinivasan, countered that India is not yet ready to yield to China's condition "that the first country who deployed forces in the disputed area be the first one to withdraw." He publicly declared that "India is not yet ready to be the first country to demilitarize some parts of the Sino-Indian border."⁵² He also admitted that there were differences of opinion on where the McMahon Line was located both on the ground and on the map. Srinivasan also took the opportunity to remind Qian that the PRC was the only country that had not explicitly recognized Sikkim as part of India.⁵³ Qian further acknowledged both sides' inability to resolve the border dispute when he stated that "complicated issues cannot be expected to be resolved overnight."⁵⁴ The joint Sino-Indian press release on Qian's 1994 visit corroborated the persistent differences between the two countries by declaring that "both sides felt that the process of continuous improvement of Indian-China relations should continue, while differences are gradually resolved [through] the development of economic and trade linkages."⁵⁵

A week after Qian's departure, an editorial in an Indian newspaper brought out the contentious issues in the Sino-Indian border talks: the question of which country should withdraw its army first from the border and China's refusal to recognize Sikkim as an integral part of India. Moreover, the newspaper article also mentioned the PRC's rejection of India's position that Beijing should play a third party role in resolving the Kashmir dispute, as Beijing held to its position that this issue should be resolved through bilateral negotiations between India and Pakistan.⁵⁶ The Indian media also raised the issue of China's arms sales to Pakistan, which accordingly "play a decisive part in putting a premium on Pakistan's confrontation against

⁵²"Balanced Security Formula for PRC Border Talks," *The Pioneer*, July 18, 1994, in *FBIS-NES-94-138* (July 19, 1994): 61.

⁵³*Ibid.*

⁵⁴"Comments on Bilateral Issues," Delhi All India Radio Network, July 18, 1994, in *FBIS-NES-94-138* (July 19, 1994): 62.

⁵⁵"Press Release Issued on Visit of PRC, Qian," Delhi ISI Diplomatic Information Service, July 19, 1994, in *FBIS-NES-94-139* (July 20, 1994): 56.

⁵⁶"Importance of Relations with PRC Emphasized," *Nav Bharat Times*, July 20, 1994, in *FBIS-NES-94-142* (July 25, 1994): 81.

India."⁵⁷ Lingering disputes and current disagreements were preventing the two countries from giving substance to their 1993 agreement to demarcate the LAC. Describing the attributes of the post-1991 Sino-Indian rapprochement, one Indian newspaper noted: "All forays and visits made the people of both countries forget that there was a time when armies of both countries confronted each other. . . . In [a] modern logical world there is no room nor respect for the ridiculous sentimentality which prided itself yelling Hindi-Chini [Indian and Chinese] . . . are brothers."⁵⁸

Both countries continued their negotiations to implement the September 1993 agreement. In March 1995, the Sino-Indian Joint Expert Group met again in New Delhi for three days "to thrash out the nuts and bolts" of the eighteen-month-old yet still unimplemented border agreement. The meeting was convened to formulate possible means and measures of confidence building along the Sino-Indian border and to resolve the differences in defining the actual lines of control as well as to effect a reduction of the military forces of both sides along the border.⁵⁹ The two countries, however, again found difficult any agreement on an actual line of control, on the actual location of the McMahon Line, on any specific steps to start mutual troop withdrawal, and on the necessary means to prevent tensions at places where Chinese and Indian troops were in close proximity to each other. Both sides also failed to agree on a possible system of prior notification of military exercises and on the prevention of air intrusion along the China-India border.⁶⁰ Consequently, the results of the meeting were disappointing. The only deal that came out from the talks was an arrangement to establish more meeting points along the border.

The two sides continued to conduct talks despite apparent differences on a number of issues. The Sino-Indian Working Group held meetings in August 1995 in New Delhi. As in previous talks, the two sides exchanged

⁵⁷"Editorial Views PRC Arms Sales in Pakistan," *Indian Express*, July 25, 1994, in *FBIS-NES-94-142* (July 25, 1994): 82.

⁵⁸*Ibid.*, 81.

⁵⁹"Xinhua English on Meeting," *Xinhua*, March 4, 1995, in *FBIS-CHI-95-045* (March 8, 1995): 7-8.

⁶⁰"Commentary Views Outcome of Meeting with the PRC," *All India Radio General Overseas*, March 6, 1994, in *FBIS-NES-95-044* (March 7, 1995): 4.

views on measures that could enhance the exchange visits and build trust between the two border forces. The negotiation was originally set for two days. However, the talks actually dragged on for ten days as the two sides disagreed on the actual alignment of the LAC.⁶¹ The two countries also took the opportunity to exchange complaints during the talks. India raised the subject of China's M-11 missile transfers to Pakistan. Indian officials emphasized to their Chinese counterparts that with Pakistan on an arms spree and having been "far from being friendly to India, New Delhi views such arms sales as a matter of grave concern."⁶² The PRC negotiators reiterated Beijing's position that the supply of missiles has been limited to small quantities and would not disturb the regional balance of power. China's assurance did not provide any comfort to a number of Indians who viewed these "weapons in the hands of the military-led government of Miss Benazir Bhutto as a destabilizing factor in a region where Pakistan's only target lies across the border."⁶³

The PRC negotiators countered by expressing their concern over the Tibetan activities in India. Indian officials replied that "[w]hile India acknowledges Tibet as an autonomous region of China, India cannot dilute the general democratic principles governing social and religious activities

⁶¹"Sino-Indian Boundary Talks Conclude," Xinhua, August 20, 1995, in *FBIS-CHI-95-161* (August 21, 1995): 15.

⁶²"Official Comment on Accord Reached," Delhi Doordarshan Television, August 20, 1994, in *FBIS-NES-95-162* (August 22, 1995): 74. The PRC delivered the first batch of M-11 missiles to Pakistan in 1991. The M-11 missile has been known in Pakistan as Hataf II and has a range of just 185 miles and thus has been considered as a short-range missile. The M-11 missile is believed to be more accurate than the Soviet Scud missile and can travel at the speed of up to Mach 4, but with a dated guidance system, is not considered highly accurate. Western intelligence agencies first spotted the mobile launchers for the M-11 missiles in 1991 and the missiles were subsequently deployed to a long-range artillery brigade. For details on China's delivery of the M-11 missiles to Pakistan, see Bates Gill, *Chinese Arms Transfer: Purposes, Patterns, and Prospects in the New World Order* (Westport, Conn.: Praeger, 1992), 152; Bates Gill, "Chinese Military Modernization and Arms Proliferation in the Asia-Pacific," in *China's Shadow: Regional Perspectives on Chinese Foreign Policy and Military Development*, ed. Jonathan D. Pollack and Richard H. Young (Santa Monica, Calif.: RAND, 1998), 26; and Pervaiz Iqbal Cheem, "Arms Procurement in Pakistan: Balancing the Needs for Quality, Self-Reliance, and Diversity Supply," in Arnett, *Military Capacity and the Risks of War*, 154.

⁶³"Daily Says Progress in PRC Ties 'Painfully Slow'," *The Hindu*, August 25, 1995, in *FBIS-NES-95-169* (August 31, 1995): 45.

of people of various ethnic affiliations in India."⁶⁴ India's reply was extremely sharp, insinuating that there are still serious differences in the political ideologies and systems of the two countries. Consequently, the only accomplishments of the meeting were agreements to dismantle four closely located military posts and to effect a disengagement of military forces along the border by the end of the year. Clearly, despite bilateral efforts to resolve the border issue, past and present disputes still affected the negotiating process. These disputes had made the discussions more complex and helped widen the relative positions of the two sides regarding the demarcation of the LAC and military disengagement. About two years after the signing of the September 1993 agreement, the details for the implementation of this agreement were still being painfully worked out. An Indian newspaper captured the gist of the negotiations in observing that the process was "painfully slow . . . the pace apparently dictated by uncertainties."⁶⁵

Despite concerted and frenzied efforts by both China and India to settle their territorial disputes once and for all, old issues related to this problem kept surfacing during negotiations. The most contentious of these issues included the question of where the LAC is actually located on the ground, the issue of which country ought to withdraw first from the border, the difference of opinion on where the McMahon Line is actually located on the ground, and the proper forms of confidence-building measures and verification methods for troop withdrawals. Other issues such as the PRC's export of M-11 missiles to Pakistan and New Delhi's support to the Dalai Lama and Tibetan resistance further complicated the negotiations. India's diplomatic tactic during the negotiation was to force the PRC to withdraw its strategic support to Pakistan in exchange for a border settlement. From New Delhi's perspective, this was the only acceptable tradeoff for the territories India might concede to the PRC in the event that both countries agreed to make the LAC the international boundary between India and Tibet. However, the Beijing-Islamabad strategic relationships are deep, ex-

⁶⁴"Article Views Results of PRC Boundary Talks," *Delhi Indian Express*, August 28, 1995, in *FBIS-NES-95-168* (August 30, 1995): 70.

⁶⁵See note 63 above.

tensive, and crucial to China's geopolitical interests in South Asia. On the one hand, there are simply no incentives for the PRC to sever its military and political ties with Pakistan for the sake of a border settlement with India, since Beijing controls most of the disputed territories. On the other hand, the Pakistan card has given China leverage in its dealings with India. Moreover, Pakistan is China's gateway to South Asia and abandoning Pakistan will deprive the PRC of its balancing role in the subcontinent, a role that would effectively give India the opportunity to be the predominant power in this region. Another issue that has complicated the border talks is India's alleged support of resistance groups for the independence of Tibet. Despite India's efforts to assure the PRC that it acknowledges Tibet as an autonomous region of China and that Tibetans are forbidden to pursue anti-Chinese activities in India, Beijing has remained apprehensive about New Delhi's alleged support of the Dalai Lama and Tibetan resistance. This is because there are a number of people in India that still harbor the opinion that Tibet was an independent country before 1949 and that an independent Tibet would provide a valuable buffer zone between China and India. These divergent and conflicting interests regarding the issues of both Pakistan and Tibet have become so intense that both India and China ended up making the border talks an arena for a larger diplomatic struggle. Consequently, nothing substantial came out of the border talks. Political and economic developments from late 1995 to 1996 would further compound these protracted border negotiations between China and India.

The Emergence of Sino-Indian Power Asymmetry

This failure to resolve the territorial dispute during the period from September 1993 to late 1995 would prove fatal to the prospects for an early and speedy resolution of their dispute. This is because a growing asymmetry in the power relations between the two sides went on to cause a measurable degree of insecurity on the part of New Delhi. This, in turn, brought out the latent competitive tendencies underneath the facade of Sino-Indian rapprochement. Because of the PRC's economic reforms of opening up the Chinese economy to foreign investment and technology transfer as well as

Table 1
Comparison of GNP Growth Rates for the PRC and India, 1993-97 (%)

Country	1993	1994	1995	1996	1997
PRC	13.4	11.8	10.2	9.7	8.8
India	4.0	4.8	6.2	5.0	7.2

Sources: International Institute for Strategic Studies (IISS), *The Military Balance 1994-1995* (London: Brassey's, 1994), 153, 170; IISS, *The Military Balance 1995-1996* (London: Oxford University Press, 1995), 157-77; IISS, *The Military Balance 1996/97* (London: Oxford University Press, 1996), 159-79; IISS, *The Military Balance 1998/1999* (London: Oxford University Press, 1998), 155, 178.

allowing the market forces to operate more freely, China experienced rapid economic growth in the mid-1990s.⁶⁶ China's gross national product (GNP) grew by 10.2 and 9.7 percent in 1995 and 1996, respectively (see table 1). If this pace of economic growth continues, estimates hold that the Chinese economy will be able to double in overall size in less than ten years.⁶⁷ China's rapid economic growth, in turn, has enabled the government to finance the PLA's arms modernization program that will enable the Chinese armed forces to fight wars using high technology that require superior hardware, sound tactics, and suitable force structure. The PLA's current arms modernization is geared primarily toward the strengthening of its second strike nuclear deterrence, the development of an offensive air power, and the formation of a blue-water navy.⁶⁸ With its rapidly modernizing economy and military force, the PRC has become a rising and assertive power, one that has adopted a "starkly realist approach" in the pursuit of its national interests.⁶⁹ Consequently, the expansion of Chinese power and influence has attracted India's attention. For a comparison of the power

⁶⁶Michael Yahuda, "How Much Has China Learned from Interdependence?" in *China Rising: Nationalism and Interdependence*, ed. David S.G. Goodman and Gerald Segal (London and New York: Routledge, 1997), 11.

⁶⁷See Avery Goldstein, "China in 1996: Achievement, Assertiveness, Anxiety," *Asian Survey* 37, no. 1 (January 1997): 30.

⁶⁸You Ji, "A Blue Water Navy: Does it Matter?" in Goodman and Segal, *China Rising*, 72.

⁶⁹Paul Dibb, *Toward a New Balance of Power in Asia*, Adelphi Paper #295 (London: Oxford University Press, 1995), 27.

Table 2
Comparison of the Power Projection Capabilities of the PRC and India (1997)

Type of Military Capability	PRC	India
Strategic Missile Force		
ICBM	17	0
IRBM	46	0
SLBM	1	0
Navy		
Submarines	63	19
Principal Surface Ships	53	25
Marines	5,000	1,200
Naval Aviation (shore-based combat aircraft)	541	67
Air Force		
Combat Aircraft	3,566	67

Source: International Institute for Strategic Studies, *The Military Balance 1998/1999* (London: Oxford University Press, 1998), 155-57, 178-81.

projection capabilities of the PRC and India, see table 2.

New Delhi was awed by China's rapid economic growth, as the Chinese economy grew nearly four times as fast as India's.⁷⁰ India became apprehensive of being left out of the East Asian success story. New Delhi was also alarmed by Beijing's military budget that reportedly grew in nominal terms by 50 percent from 1990 to 1993.⁷¹ This expenditure amounted to a substantial increase in real terms even allowing for the gathering pace of inflation.⁷² Consequently, despite the Sino-Indian rapprochement and

⁷⁰Gupta, *India Redefines its Role*, 57-58.

⁷¹Sandy Gordon, *India's Rise to Power in the Twentieth Century and Beyond* (New York: St. Martin's Press, 1995), 301.

⁷²In their 1998 book, Mel Gurtov and Byong-Moo Hwang claim that China's official military budget increased by 158 percent between 1990 and 1996, and has in fact nearly tripled to about 275 percent between 1986 and 1996. The actual amount the PRC spends for its defense needs is still a matter of controversy among defense analysts. This is because like any other governments, Beijing hides its military spending outside of its Ministry of Defense and is highly selective in what it publicizes regarding defense expenditures. The difficulty in determining the actual amount the PLA spends for its needs is also made complicated by the fact that the military is engaged in money-making production activities that play an important role in improving the livelihood of its troops and in supplementing the government's defense expenditures. For more discussion on the controversy regarding the

Table 3
Comparison of Annual Defense Expenditures for the PRC and India, 1993-97

Country	Unit: US\$ billion				
	1993	1994	1995	1996	1997
PRC	7.4	8.5	31.7	35.4	36
India	7.0	7.4	8.5	11.8	12

Sources: Same as table 1.

attempts at military disengagement along the Sino-Indian border, Indian defense planners have become concerned about China's rising defense outlays (see table 3).⁷³ New Delhi has also become apprehensive over China's support for Myanmar. India fears that any development of a closer strategic relationship between China and Myanmar would amount to a rupture in the strategic barrier provided by the Himalayas. Unlike India's Himalayan border with China, India has an extensive border with Myanmar that is highly permeable and vulnerable to border crossing from both sides. These developments eventually impressed on India that both countries are aspiring Asian powers that are conscious of their illustrious past and are extremely sensitive about their places in the regional as well as in the international power hierarchy. Hence, Sino-Indian interests are bound to diverge, indicating that relations between the two countries will have the tendency to become extremely competitive.

The breakdown in the August 1995 talks led to a period of strained relations between the two states. Despite official pronouncements and declarations of improving ties, the two countries became engaged in a sort of a cold war. In early September 1995, the former Indian Minister of External Affairs and Ambassador to China wrote an article about the 1990

PRC's actual defense expenditures, see Bates Gill, "The Impact of Economic Reform upon Chinese Defense Production," in Lane, Weisenbloom, and Liu, *Chinese Military Modernization*, 144-67; Mel Gurtov and Byong-Moo Hwang, *China's Security: The New Roles of the Military* (Boulder, Colo. and London: Lynne Rienner, 1998), 187-210; Arthur S. Ding, "China's Defense Finance: Content, Process, and Administration," in *China's Military in Transition*, ed. David Shambaugh and Richard Yang (New York: Oxford University Press, 1997), 164-79.

⁷³Gordon, *India's Rise to Power*, 302.



Sino-Indian border talks in an Indian newspaper. The article compared the 1990 Sino-Indian border talks to the 1981 India-China bilateral talks which accordingly "amounted to nothing."⁷⁴ The article also mentioned the specific irritants to, and mutual suspicions in, bilateral relations. In October, an Indian newspaper reported the presence of two Chinese fighter planes in Indian airspace at a time when Indian forces were repelling a Pakistani attempt to occupy the Siachen glacier.⁷⁵ The following month, the *Hindustan Times* published another article that squarely accused China of stalling the border talks. The article contended that China should be blamed for the impasse in the talks due to the following reasons: the PRC's refusal to accept the McMahon Line as the international boundary; refusal to accept the boundaries with Bhutan, Nepal, Uttar Pradesh, and Himachal Pradesh; and assertion that the existing LAC, minor adjustments notwithstanding, be accepted as the international border.⁷⁶ The article also raised the China-India dispute over the Aksai Chin and criticized Beijing for its "pointless harp on the past."

Then in December 1995, the Indian government stated its displeasure with the Chinese nuclear testing, while Indian defense experts began to talk about the need for India to upgrade its missile system in view of the stockpiling of missiles by its neighbors.⁷⁷ Also during this period, the Indian Navy announced its decision to both acquire new submarines and build new principal surface combatants in order to enhance India's transborder capabilities and external image.⁷⁸ Coincidentally, this announcement was made at the time when Indian officials and media sources were voicing their concerns over the PRC's alleged moves to gain access to the Indian Ocean via Myanmar. A few days later, an Indian radio commentator ac-

⁷⁴"Foreign Officials Examine Relations with China," *The Pioneer*, September 3, 1995, in *FBIS-NES-95-177* (September 15, 1995): 65.

⁷⁵"Chinese Planes Said Seen during Pakistani Attack," *Dainik Jagran*, October 12, 1995, in *FBIS-NES-95-201* (October 18, 1995): 52.

⁷⁶"Article Considers Border Dispute with China," *The Hindustan Times*, November 1, 1995, in *FBIS-NES-95-212* (November 2, 1995): 57-58.

⁷⁷"Defense Experts Urge Upgrade of Missile System," Delhi All India Radio Network, December 4, 1995, in *FBIS-NES-95-234* (December 6, 1995): 52.

⁷⁸"Navy Chief's Remarks on Submarines, Needs Reported," *The Telegraph*, November 25, 1995, in *FBIS-NES-95-234* (December 6, 1995): 52-53.

cused the PRC of "saying one thing and doing another."⁷⁹ Analyzing the PRC's Defense White Paper, the commentator contended that "the PRC's burgeoning defense spending, its resumption of nuclear testing, its deployment of long-range strategic missiles, and the unresolved border disputes cannot be reassuring to India." The commentator also warned that "China's overt warming up to India and chilling bluntness about its national defense doctrine should be viewed with suspicion."⁸⁰ This articulation of popular apprehension over the PRC's military modernization was followed by an official protest over China's military assistance to Pakistan. On December 17, 1995, New Delhi officially conveyed to Beijing concern over Sino-Pakistani cooperation in the field of defense that included the transfer of sophisticated nuclear and missile technologies to Pakistan, which New Delhi has viewed as "beyond legitimate requirements."⁸¹ India also took the unprecedented step of informing Washington about a reported secret transfer of an American-built F-16 fighter plane by Pakistan to China.⁸²

The following year, *The Hindu* came out with an article that warned of China's increasing political and military ties with Myanmar in an effort to gain access to, and a presence in, the Indian Ocean.⁸³ The article also accused the PRC of trying to establish its hegemony in South Asia and claimed that this action poses a threat to India's security and territorial integrity.⁸⁴ In March 1996, commenting on China's actions vis-à-vis the Philippines in the Mischief Reef incident of 1995 and Taiwan during the March 1996 Taiwan Strait crisis, All India Radio General accused China of "carrying out disturbing messages of long-term expansionism and evident readiness to use force or the threat of force in East Asia."⁸⁵ This com-

⁷⁹"PRC's Burgeoning Defense, White Paper Viewed," *The Times of India* Radio Network, December 14, 1995, in *FBIS-NES-95-241* (December 15, 1995): 50.

⁸⁰*Ibid.*

⁸¹"PRC Military Aid to Pakistan Causes Concern," *Delhi All India Radio Network*, December 18, 1995, in *FBIS-NES-95-243* (December 19, 1995): 54.

⁸²*Ibid.*

⁸³"India: Article Warns of Growing PRC Influence in Burma," *The International*, January 16, 1996, in *FBIS-NES-96-027* (February 8, 1996): 43.

⁸⁴*Ibid.*

⁸⁵"India: Commentary—PRC's Expansionist Designs in Taiwan Straits Viewed," *All India Radio General*, March 14, 1996, in *FBIS-NES-96-052* (March 15, 1996): 44-45.

mentary was significant since it reflected India's growing concern over the PRC's moves even beyond the South Asian region. This concern stemmed from the official assessment by India that these Chinese actions in the South China Sea are part of Beijing's ambition to be a superpower with an almost global reach. New Delhi has also perceived the PRC's naval modernization and expansion in East Asia as components of Beijing's well-conceived strategy of outflanking India from the east and of challenging India's maritime dominance in the Indian Ocean through Southeast Asia.

Consequently, New Delhi began to initiate moves to gain possible friends and allies that could help India confront China in East Asia and offset Chinese activities designed to encircle India. In March 1996, India announced a seven-point action plan for expanding economic relations with the member states of the Association of Southeast Asian Nations (ASEAN), in the preparation for India becoming a full dialogue partner of this Southeast Asian grouping in the future.⁸⁶ It was no coincidence that the India-ASEAN entente occurred at the time the ASEAN states had become alarmed by the PRC's aggressive enforcement of its South China Sea claims. India also began to improve its security relations with the United States despite friction with Washington over trade, Kashmir, and nuclear arms proliferation issues. In the later part of March 1996, a joint U.S.-Indian naval exercise was conducted in the Arabian Sea. The Indian and U.S. navies conducted underwater, surface, and air exercises. The U.S. Navy also deployed a nuclear-powered submarine to acquaint the Indian Navy with this particular type of weapon. This naval exercise was considered the largest between the two countries and was conducted immediately after a crisis in U.S.-PRC relations—the Chinese military exercises in the Taiwan Strait in early March 1996.⁸⁷ Persistent disputes and emerging suspicions brought about by growing asymmetry in power relations triggered by the PRC's naval modernization and growing influence in Myanmar have restricted the possibilities of further Sino-Indian cooperation. Indian pro-

⁸⁶"India: Minister Proposes Plan for Boosting ASEAN Ties," *Deccan Herald*, March 14, 1996, in *FBIS-NES-96-061* (March 28, 1996): 36.

⁸⁷"India: Joint Naval Exercises with U.S. Navy Launched," *The Telegraph*, March 27, 1996, in *FBIS-NES-96-062* (March 29, 1996): 47.

nouncements of apprehension over the PRC's growing naval capability and growing criticism of Chinese military and political support to both Pakistan and Myanmar demonstrated the limits of Sino-Indian entente. Moreover, New Delhi's diplomatic initiatives aimed to develop an entente cordiale with the ASEAN states and Washington vis-à-vis Beijing have accentuated this limit.

The PRC reciprocated India's negative comments and actions toward Beijing by emphasizing the core of Sino-Indian enmity—the Pakistan card. On September 1, 1995, Pakistani Foreign Minister Sandar Asif Ahmad Ali visited Beijing and was welcomed by his Chinese counterpart Qian Qichen and Premier Li Peng. In a statement at his meeting with the Pakistani foreign minister, Li Peng declared "Sino-Pakistani relations as having undergone a new phase of sustained development characterized by effective cooperation in various fields, mutual understanding, mutual support, and close coordination in international affairs."⁸⁸ By stating these words only a few weeks after the breakdown in Sino-Indian border talks, China was conveying a message to its South Asian ally that Beijing's strategic ties with Islamabad would never be affected by any border settlement with India. Beijing was also sending an obvious message to India—that the PRC would not forfeit close military and political relations with Pakistan for the sake of a border settlement with India. Then in October 1995, Chinese President Jiang Zemin met Pakistani Prime Minister Benazir Bhutto in New York during the 50th anniversary of the United Nations. In his talks with Bhutto, Jiang declared "that China and Pakistan are good neighbors with a close friendship and the two countries will always support each other and cooperate closely in international affairs."⁸⁹ Jiang's statement carried another message to India: that China would not abandon its South Asian ally, would in fact enhance bilateral relations with Islamabad, and would still make use of this card to put New Delhi on the defensive.

To impress this point on its ally and to India, the PRC took the un-

⁸⁸"Li Peng, Ali Hail Ties," Xinhua, September 1, 1995, in *FBIS-CHI-95-170* (September 1, 1995): 7.

⁸⁹"Jiang Meets with Pakistani Prime Minister," Xinhua, October 23, 1995, in *FBIS-CHI-95-205* (October 24, 1995): 22.

precedented step of providing Pakistan with the necessary nuclear equipment to develop its nuclear weapons program. In February 1996, reports held that China had provided Pakistan with an entire set of auxiliary equipment for its Chasma nuclear power program. According to the report, this was the first time the PRC exported an entire set of auxiliary equipment, a transfer which would later aid in the production of uranium for Pakistan's nuclear weapons program.⁹⁰ A few days later, another report revealed that Beijing had provided Islamabad with ring magnets that could be used to refine bomb-grade uranium.⁹¹

The electoral victory of the Bharatiya Janata Party (BJP) in the May 1996 parliamentary election further aggravated the growing uneasiness between the two countries. As one of the major opposition parties against the Congress Party, the BJP had accused the Rao government of being soft over national security issues and military modernization. The BJP openly criticized the Rao government's inability to explain an attempted arms shipment by a Russian-made AN-26 transport aircraft to the Ananda Marg (Path to Joy) in December 1995 and the government's decision for an indefinite extension of the Nonproliferation Treaty (NPT). The BJP also insisted that there was nothing historic about the 1993 Rao government's efforts to improve India's relations with China and raised the fears that the September 1993 agreement with China could prove to be the first step toward New Delhi's acceptance of the LAC as the formal border between India and Tibet. The BJP advocated a vision that India should be at the center stage of Asia in terms of traditional power projection. To achieve this vision, the party called for the development of a fleet sufficient to control the Indian Ocean from Singapore to Aden, the provision of the "nuclear

⁹⁰"PRC: China Sends Nuclear Power Equipment to Pakistan," Xinhua, February 7, 1996, in *FBIS-CHI-96-028* (February 9, 1996): 8. As early as the 1980s, the PRC had assisted Pakistan in its nuclear weapons program. In 1983, the PRC gave Pakistan a complete design for a nuclear weapon and enough enriched uranium for two bombs. From 1994 to 1996, the PRC assisted Pakistan to build a 300-megawatt nuclear power plant at Chasma and a tritium gas purification plant at Khushad. For more details regarding China's assistance to Pakistan's nuclear weapons program, see Nayan Chanda et al., "The Race is On," *Far Eastern Economic Review*, June 11, 1998, 20-24.

⁹¹"PRC: Pakistani Minister Denies Buying Nuclear Equipment," Xinhua, February 10, 1996, in *FBIS-CHI-96-030* (February 13, 1996): 9.

teeth" to the military, and a program that advocates military modernization despite India's economic problems.⁹²

In May 1996, the BJP emerged as the largest party in the Indian Parliament with 160 seats and, based on parliamentary plurality, President Shankar Dayal Sharma asked the BJP to form a government. The BJP then declared its intentions to initiate major policy changes, including the strengthening of the country's defense capabilities against perceived external threats. Using the BJP's campaign promise of stability and Hindu nationalist credential, Prime Minister Atal Bechari Vajpayee, in his first opening speech to the Indian Parliament, called for the country to be on "guard against prevailing external and internal threats."⁹³ The BJP-dominated minority government, however, lasted only for thirteen days. Faced with the possibility of a nonconfidence vote from the Congress Party and the National Front-Left Front Coalition, Vajpayee and his ministers resigned. President Sharma then invited the National Front-Left Front Coalition to form a new government. The coalition was composed of thirteen regional parties, and once assuming power in the Parliament, they adopted the name "United Front" (UF) to represent their united opposition against the BJP and the Congress Party.

The UF government was led by Prime Minister Deve Gowda, who initially intended to continue the Rao government's efforts to improve India's relations with China. However, the UF government was confronted with a number of security concerns emanating from the PRC. New Delhi became conscious of the fact that the PRC possesses approximately two hundred armed missiles while India's ballistic missile capability lagged behind. The government was also irked by U.S. intelligence reports that indicated that the PRC had sold to Pakistan additional M-11 missiles and, more importantly, ring magnets that were to be used in Pakistan's nuclear weapons program.⁹⁴ Finally, the Gowda government also became concerned over China's port-building activities in Myanmar, construing such actions as

⁹²Gordon, *India's Rise to Power*, 338.

⁹³Delhi All India Radio Network, May 20, 1996, in *FBIS-NES-96-099* (May 21, 1996): 46.

⁹⁴Sumit Ganguly, "India in 1996: A Year of Upheaval," *Asian Survey* 37, no. 2 (February 1997): 132.

an indication of China's move to challenge India's attempt to dominate the Indian Ocean. Consequently, the UF government initiated efforts to achieve "symbolic power equivalence with China and over a longer time frame, to strive for a world-power status by developing nuclear and missile capabilities, a blue-water navy, and a military industrial complex."⁹⁵

The coalition government announced that India's foreign policy should reflect current security concerns, i.e., the development of a nuclear deterrent and the need to exert all efforts to give its military the adequate resources for this purpose.⁹⁶ The coalition also announced plans for the development of the Agni intermediate-range ballistic missile, the acquisition of Sukhoi combat aircraft from Russia, the upgrading of its MiG-21 fighter planes, and the development of light combat aircraft. This government also did not hide the fact that the development and deployment of the Prithvi and Agni missiles are directed against Pakistan and the PRC.⁹⁷ This new government also floated the idea of a security policy based on the development of a confederation of India, Pakistan, and Bangladesh that would be aimed to prevent the South Asian subcontinent from being "a battleground for big power rivalry."⁹⁸ This security policy is evidently directed against China.

The coalition government justified this military modernization by citing the Pakistani missile threat and Chinese strategic encirclement emanating from Tibet, Myanmar, and also from Pakistani naval bases. In a hearing conducted before the Indian Parliament, Defense Minister Singh Yadav talked warily of Beijing's efforts to strengthen the air strips of China's eleven air bases in Tibet, acquisition of one hundred Sukhoi fighter planes from Russia, development of a naval base at Coco Island near India's Andaman Archipelago, and the PLA Navy's growing interest at Karachi

⁹⁵James Clad, "India in 1996: Steady as She Goes," *The Washington Quarterly* 19, no. 4 (Autumn 1996): 112.

⁹⁶"India: Further on Defense Minister's Promise of Modernization," Delhi Doordarshan Television, June 3, 1996, in *FBIS-NES-96-108* (June 4, 1996): 67.

⁹⁷"India: Spokesman: Comments on Steps to Counter Missile Threat," *The Hindu*, June 14, 1996, in *FBIS-NES-96-117* (June 17, 1996): 50-51.

⁹⁸"Indian Defense Minister, Officials Speak on Defense," *The Times of India*, June 4, 1996, in *FBIS-NES-96-109* (June 5, 1996): 35-36.

Naval Port.⁹⁹ He also raised his concern over the PRC's missile bases in Tibet, which according to him threaten a number of Indian cities. Later the Indian Ministry of Defense came out with a report that accused China of increasing its sophisticated military presence in Tibet in order to "maintain pressure on India."¹⁰⁰ The report also noted that although "Sino-Indian normalization is continuing, the steady increase in Chinese missile and nuclear power and its transfer of technical know-how to Pakistan threaten India."¹⁰¹

The coalition government also sought to improve the country's security relations with the United States and initiated external policies to enable India to play an extraregional security role by going beyond the limits of what has been usually considered as its geostrategic space, i.e., the Indian Ocean. The Indian government actively cooperated with U.S. intelligence agencies in monitoring the Chinese delivery of missiles and nuclear equipment to Pakistan. And since 1995, the Indian Navy has conducted three combined exercises with the U.S. 7th Fleet near the Malacca Straits—a major chokepoint which could be the Chinese Navy's key access from East Asia to the Indian Ocean.¹⁰² India's growing economy, privatization efforts, and need to develop high-tech defense capabilities seemed to facilitate a bilateral entente with the United States that could prove useful in countering any perceived [emerging] Chinese hegemony within the greater Asian region. This entente seems to be occurring despite differences between the two countries over nuclear and missile-related issues.¹⁰³ India also joined the ASEAN Regional Forum (ARF) that was formed by the ASEAN states, Japan, and the United States in an effort to constrain the PRC in East Asia.¹⁰⁴ As a member of ARF, India appears to be aligning itself with the

⁹⁹India: Concern Expressed over PRC's Military Operations in Tibet," *Delhi Navbharat Times*, July 15, 1996, in *FBIS-NES-96-140* (July 19, 1996): 54.

¹⁰⁰India: Paper Says Tibetan ICBMs Target Indian Cities," *Punjab Kesari*, July 21, 1996, in *FBIS-NES-96-147* (July 30, 1996): 53-54.

¹⁰¹Ibid.

¹⁰²Institute for National Strategic Studies, *Strategic Assessment 1998: Engaging Power for Peace* (Washington, D.C.: U.S. Government Printing Office, 1998), 54.

¹⁰³For a comprehensive discussion on U.S.-Indian disputes over these two issues, see Francine R. Frankel, "Indo-U.S. Relations: The Future is Now," *The Washington Quarterly* 19, no. 4 (Autumn 1996): 142-46.

¹⁰⁴India became a member of ARF after the July 1996 ARF Third Working Session in

ASEAN core of ARF, a group of countries that values the U.S. strategic counterweight against China, and envisions the development of the organization as an effective and sophisticated instrument of containing the PRC through cooptation.¹⁰⁵

The 1996 Sino-Indian Summit and Its Aftermath

Developments in Sino-Indian bilateral relations from September 1993 to late 1996 indicated that both countries were still far from being at ease with each other. A significant indication of this tension occurred in September 1996, when New Delhi spurned Beijing's initiative to resolve their border dispute. PRC Foreign Minister Qian Qichen proposed to make some territorial concessions to India in the disputed areas around Arunachal Pradesh in exchange for Indian concessions in the Aksai Chin area. Not wanting to make any hard decision on the dispute with China and risk domestic criticism of its foreign policy, the UF government disregarded the Chinese proposal.¹⁰⁶ Nevertheless, both countries continued their efforts to resolve their border problems. The Sino-Indian working group conducted two more rounds of negotiations in New Delhi and Beijing. Despite India's efforts to resist China's position to make the LAC a permanent boundary, the group was able to reach an understanding in October 1996. This event was followed by President Jiang Zemin's visit to New Delhi.

Jiang Zemin visited India in late November 1996 and signed an agreement for confidence-building measures that could effect a partial demili-

Jakarta, Indonesia. Prior to becoming a full-fledged member of ARF, India was given a status of an ASEAN dialogue partner during the December 1995 ASEAN summit in Bangkok. During that summit, Singapore, along with Indonesia, pressed for India's membership in ARF to counterbalance China, especially in relation to Myanmar which some ASEAN states feared was falling to the Chinese sphere of influence. The ASEAN states had also another motive having New Delhi join this forum—they felt that India's participation in ARF would boost the Association's centrality within ARF vis-à-vis the United States. See IISS, *Strategic Survey 1996/97* (London: Oxford University Press, 1997), 192-93.

¹⁰⁵"India Gains ASEAN Regional Forum Membership," *The Hindu*, June 15, 1996, in *FBIS-NES-96-119* (June 19, 1996): 49.

¹⁰⁶"India: Opportunity to Resolve Border Dispute with China Missed," *The Telegraph*, May 11, 1997, in *FBIS-NES-97-135* (May 15, 1997). Website: Art. Id: drnes05151997001285.

tarization along the Sino-Indian border. The agreement has stipulated measures related to troop reduction, troop withdrawal and deployment notification, conflict avoidance, and communication measures.¹⁰⁷ Both sides have also agreed not to attack each other and to scale down the number of military deployments along the Himalayan border. More specifically, the agreement has provided for the avoidance of military exercises involving more than 15,000 troops along the LAC and also barred military aircraft flying 10 kilometers off the border. This agreement, however, has a number of limitations as it has merely amplified and provided minor details to the September 1993 agreement. Like the previous agreement, the November 1996 Agreement on Confidence-Building Measures in the Military Field Along the Lines of Control has been a stopgap measure intended to prevent any "accidental" military clash between the two countries by reducing forces to minimal levels in mutually defined zones, to scale down major categories of armaments along the borders, and to increase transparency in military affairs. However, the 1996 border agreement provides no specifics on the timetable for the troop withdrawal or the number of troops that would be pulled back from the border. More importantly, it does not clarify where the LAC actually lies nor does it provide any immediate solution to the border dispute, as the LAC has not been actually demarcated because India rebuffed China's offer to make the LAC the official border. Like its September 1993 predecessor, the 1996 agreement would only take effect after both sides have agreed on an actual demarcation of the LAC—a perplexity that the two sides have been trying to settle since 1993. There is indeed a grain of truth to the claim that the 1996 agreement was a "hackneyed repetition of the pact signed during Narasimha Rao's 1993 Beijing visit."¹⁰⁸ Both sides also found themselves in a row over the distance of troop withdrawal from the LAC. The PRC would like both sides to with-

¹⁰⁷Sony Devabhaktuni, Matthew C.J. Rudolph, and Amit Sevak, "Key Developments in the Sino-Indian CBM Process," in *A Handbook of Confidence-Building Measures for Regional Security*, ed. Michael Krepon et al. (Washington, D.C.: The Henry L. Stimson Center, 1998), 189-92.

¹⁰⁸"India, China: Article Analyzes Impact of Visit on Relations," *Delhi Hindustan*, December 15, 1996, in *FBIS-NES-96-245* (December 20, 1996). Website: Article Id:dmes 245_r_96021.

draw on an equal distance from the border. The Indians, citing that the Chinese side of the border is a plateau on which troops could be easily moved while the Indian side is a steep and landslide-prone mountainside, rejected China's proposal saying that an equal distance would enable the PLA to reach the border faster.¹⁰⁹ This indicated a persistent distrust on the part of the Indians toward their Chinese counterparts.

There is no doubt that, although a mere interim measure to reduce tension along the Sino-Indian border, the agreement nevertheless created the possibilities for more cooperative relations between the two countries. This is because the agreement has reduced the chances of any accidental military clashes and has entailed no surrender of territory from either side along the Sino-Indian border. However, both countries have found themselves rivals in other geographic areas. New Delhi has not kept silent about its concern over China's assistance to Myanmar in building military port facilities, fearing that this could allow Beijing to substantially increase its naval presence in the Indian Ocean. To the north, Beijing remains irritated over New Delhi's view of Tibet as an "autonomous region" within China and the latter's harboring of the Dalai Lama. Jiang Zemin and Qian Qichen raised this issue with their host despite India's unwillingness to discuss the issue. Indian officials countered by conveying their apprehension that China might be trying to contain India by fostering strategic and political ties with Pakistan, Bangladesh, Myanmar, and Sri Lanka. The UF government became a bit more vocal about Beijing's attempt to "undermine" Indian security during the summit, being alarmed by the PRC's effort to form a geographic cordon sanitaire around India.

The 1996 Sino-Indian summit left an impression among the Indian populace that there is an increasing gap between the relative power positions of the two countries. China's rapid economic development in the mid-1990s enabled the PLA to modernize its second strike nuclear deterrence, to create an offensive air power, and to develop a blue-water navy. Faced with a rapidly modernizing Chinese armed force, the Indian military feels that its air force, missile program, radar network, navy, and nuclear

¹⁰⁹"All Quiet on the Eastern Front," *The Economist*, December 7, 1996, 34.

deterrence capability are all ten years behind the PLA.¹¹⁰ Furthermore, India does not only face a Chinese military challenge but also the threat of a nuclear-armed Pakistan and the Beijing-Islamabad security nexus that included collaboration in nuclear and missile technologies. In face of those threats, New Delhi in the mid-1990s saw the need for more time and resources so that it could develop its multipliers, deterrence, and communication facility so as to ensure that the growing asymmetry in military capability between China and India would not adversely affect the latter.¹¹¹ The US government decided that enhancing relations with China was in India's short-term interest and thus began to try to develop cooperative ties and confidence-building measures to buy more time to develop India's economy and military capabilities. Consequently, New Delhi found it necessary to sign an agreement on confidence-building measures along the Sino-Indian border despite its earlier efforts to impel Beijing to accede to what New Delhi considered "a balanced and equitable settlement" of the border dispute. However, this created the widespread perception that the US government was unwilling to vigorously confront Beijing's strategic cooperation with Pakistan. To many Indians, the summit left an imprint that their country no longer had the capacity to confront an increasingly powerful China.¹¹² In the aftermath of the 1996 summit, the US government became determined that India would not be a victim of fallout from China's emergence as a world power. The Indian government committed itself to the task of preventing Beijing from exploiting its economic development and military prowess over New Delhi.

In 1997, developments with regard to the resolution of the Sino-Indian border dispute slowed as both sides found leaving the boundary dispute unresolved to their mutual advantage. Consequently, without any clear demarcation of the LAC, the Indian side reported a number of Chi-

¹¹⁰Sujit Dutta, "China's Emerging Power and Military Roles: Implications for South Asia," in Pollack and Young, *China's Shadow*, 103-8.

¹¹¹Ibid.

¹¹²"India: Increasing Gap in Indian, Chinese Power Relations Noted," *Madras the Hindu*, December 2, 1996, in *FBIS-NES-96-234* (December 5, 1996). Website: Article ID: drnes234_r_96005.

nese intrusions into Indian territory in Arunachal Pradesh.¹¹³ Then in the middle of the year, India signed a new regional pact with Bangladesh, Sri Lanka, and Thailand to promote regional cooperation and to counter China's growing influence in Myanmar.¹¹⁴ Such a move on the part of India was directed at the establishment of a loose but subtle diplomatic engagement with the Southeast Asian countries aimed at restricting Chinese influence in this part of Asia.¹¹⁵ In August 1997, the UF government declared that it would give priority to the development of the Agni ballistic missile, which has a range of 2,500 kilometers.

The following year, during the February-March parliamentary election, the BJP was able to get the highest ever total number of votes and seats in the Indian legislature. President Kocheril Raman Narayan asked the BJP to form a new government. As a political party, the BJP called for a value-based politics anchored on the notion of Hindu nationalism. The BJP took an extremist position on a number of issues to encourage sectarian division within the Indian polity and to consolidate its policy for a Hindu nationalist agenda—the promise to build a Hindu temple over the ruins of a medieval Muslim mosque in Ayodha, the revocation of special constitutional status for Kashmir, and the abolition of personal laws on marriage, divorce, and property for India's 120 million Muslims. In terms of a foreign affairs agenda, the BJP voiced alarm over the so-called Islamic revival in Pakistan, thus creating deep interface between the communal divide within Indian society and within the South Asian subcontinent. The BJP has been extremely articulate in its accusation that the communal violence in India should be blamed on Islamabad and by association, on Pakistan's closest ally—China. In early 1998, Sino-Indian relations began to experience some major crises. The first occurred when Indian Defense Minister George Fernandes declared China as "the potential threat no. 1" of India.

¹¹³"India: Article on Sino-Indian Ties, Border Issues," *The Pioneer*, May 7, 1998, in *FBIS-NES-98-127* (May 7, 1998). Website: Article Id: drnes05071998000992.

¹¹⁴Sumit Ganguly, "India in 1997: Another Year of Turmoil," *Asian Survey* 38, no. 2 (February 1998): 129.

¹¹⁵"India: Indian Interest in Pacific Asia Viewed," *The Telegraph*, October 11, 1997, in *FBIS-NES-97-287* (October 14, 1997). Website: Article Id: drnes10141997000757.

Fernandes accused the PRC of conducting an elaborate and sophisticated strategy of engaging India in friendly relations, while supporting South Asian countries "to pin Indian security concerns down to the subcontinent."¹¹⁶ He also indicated that everything is not fine along the Sino-Indian border as he accused China of incursion into the Indian side of the LAC that forms the border between Tibet and Arunachal Pradesh. By raising national security concerns, Fernandes was making the BJP's agenda of the "Chinese threat" the government's central foreign policy problem.¹¹⁷

The event that securely brought out the underlying tensions of Sino-Indian relations into the open was India's testing of its nuclear weapons in May 1998. Immediately after its nuclear weapons test, New Delhi made explicitly clear that India's nuclear weapons development program was a defensive response to the "formidable security environment." This formidable security environment, accordingly, consisted of Pakistan, which has fought three wars with India, and China, which has become India's "prime source of strategic worries." These strategic worries include a protracted border dispute, a nuclear arsenal, and the PRC's provision of substantial nuclear and missile program assistance to Pakistan.¹¹⁸ New Delhi did not hide the fact that its nuclear weapons development program was one of its responses to the PRC's possible emergence as the second most important power in the world.

Beijing denounced India's nuclear test in the strongest diplomatic language. For instance, the Chinese Foreign Ministry christened India's nuclear tests as "undisguised contempt for the common desire of the international community to completely ban nuclear test and represents a severe blow to the international efforts to prevent the proliferation of nuclear weapons."¹¹⁹ The PRC Foreign Ministry's statement also warned of the tests' "serious consequences to the peace and stability in South Asia" and

¹¹⁶Mano Joshi, "Beware the Dragon," *India Today*, April 27, 1998, 23.

¹¹⁷Mano Joshi, "George in the China Shop," *ibid.*, May 18, 1998, 10-11.

¹¹⁸Pratap Bhannu Mehta, "India: The Nuclear Politics of Self-Esteem," *Current History* 97, no. 623 (December 1998): 403-5.

¹¹⁹Hu Guangyao and Hu Xiaoming, "Nuclear Tests Threaten Stability," *Beijing Review* 41, no. 22 (June 1-7, 1998): 8.

reproached India for trying to "obtain hegemony [in South Asia] and of maliciously accusing China as a nuclear threat."¹²⁰ This was followed by Beijing's allegations that India is occupying 90,000 square kilometers of Chinese territory and that New Delhi launched an aggression against the PRC in 1962, issues that bore similarities to Beijing's rhetoric against the latter during the late 1950s and early 1960s. New Delhi reacted by recalling the Indian ambassador from Beijing and this led to a serious deterioration in Sino-Indian relations.¹²¹ Consequently, the heightened tension between China and India led to the collapse of the border talks. During the June 8-9, 1998 Sino-Indian border talks in Beijing, the Chinese representatives accused India of "slandering China and severely hurting the feelings of the Chinese people and destroying the good atmosphere of steady improvements of relations between the two countries."¹²² As a result of this acrimony, the two sides made no progress during the June 1998 Border Military Expert Group Meeting.

Conclusion

Ever since China and India have explored the possibility of improving their bilateral relations in 1988, the political settlement of their border dispute has been considered as the litmus test for the normalization of Sino-Indian ties. These two countries have held four summits (in 1988, 1991, 1993, and 1996) to resolve this dispute. However, these high-level contacts resulted only in an agreement to come out with a temporary measure of demarcating an LAC along the Sino-Indian border. Attempts by both sides to carry out this temporary measure have been futile so far. The two sides have tried to resolve this impasse by trying to isolate this dispute from other

¹²⁰"China's Statement on India's Nuclear Test," *ibid.* Also see Nayan Chanda, Matt Forney, and Shiraz Sidhava, "Nuclear Fallout: India's Nuclear Tests Leave the U.S. and China in Awkward Positions," *Far Eastern Economic Review*, May 28, 1998, 30.

¹²¹"India: Acrimony Enters Bilateral Relations with the PRC," *Bangalore Deccan Herald*, May 21, 1998, in *FBIS-NES-98-141* (May 21, 1998). Website: Article Id: drvnes05211998000723.

¹²²"Foreign Ministry News Briefings," *Beijing Review* 41, no. 26 (June 29-July 5, 1998): 22.

aspects of Sino-Indian relations through the formation of the Sino-Indian Working Group on the Border Dispute. Unfortunately, these other aspects of Sino-Indian relations have persistently intruded into and obstructed the progress of the border talks.

The close strategic relations between China and Pakistan continue to be a source of severe irritation between Beijing and New Delhi. During the negotiations on the border issue, the Indian side often raises this serious concern about their security interests relating to China-Pakistan strategic cooperation. On its part, the PRC remained strongly supportive of Pakistan's military modernization and has been adamant in that improvement of relations with India would not in any way mean a sacrifice of its close strategic ties with Pakistan. Beijing's position regarding this matter stems from its fundamental geopolitical interest toward South Asia—China has an interest in preventing India from dominating South Asia, which could otherwise limit China's potential to play a hegemonic role in Asia as a whole.¹²³ Pakistan is the only country that could prevent Indian hegemony in South Asia. Hence, Islamabad plays a pivotal role in enhancing Beijing's geopolitical game in South Asia and for this reason, the PRC would find difficulty in abandoning Pakistan as a strategic ally in South Asia. Another contentious issue between the two countries is the issue of the Tibetans in India who are engaged in an effort to liberate Tibet from PRC control. A number of Indian newspapers and government officials have publicly supported this movement, greatly disturbing Beijing. The Indian government has tacitly supported this movement not merely because it provides New Delhi with a lever in dealing with Beijing. More importantly, there is a general consensus among Indian officials that the long-term security of India's northern frontier lies in the expulsion of Chinese influences from Tibet and the establishment of a friendly or neutral government in Lhasa.¹²⁴

Complicating this already highly geopolitically charged bilateral relationship is the emergence of "new areas of contention" between these two states. India has viewed the PRC's rising military, political, and economic

¹²³Denny Roy, *China's Foreign Relations* (Lanham, Md.: Macmillan Press, 1998), 171.

¹²⁴Malik, "China-India Relations in the Post-Soviet Era," 317-32.

capabilities in Asia with utmost concern. From New Delhi's perspective, a techno-economic-military asymmetry between India and China would have a strategic impact on the entire South Asia/Indian Ocean regime. This would be in the form of enhanced Chinese diplomatic and military leverage against India, which might affect the latter's autonomy of action in Asia.¹²⁵ This apprehension about the PRC's long-term intention had provided the BJP with a convenient justification to remain in power, develop India's nuclear weapons capability, and adopt an extremely competitive policy toward the PRC. This policy, in turn, had exasperated Beijing and this, along with the tension caused by New Delhi's nuclear weapons test, led to the 1998 collapse of the border talks.

The post-1991 Sino-Indian border talks were held within the wider context of Sino-Indian reconciliation. However, the heart of Sino-Indian post-Cold War rapprochement was a careful calculus in both capitals to improve their relative power vis-à-vis the United States and against each other. It was a case of realpolitik where there is no room for sentimentalism or romantic illusion about bilateral relations. Alarmed by the PRC's increasingly active and assertive posturing in East Asia and the Indian Ocean, New Delhi saw the need to take steps to match Beijing in terms of economic and military capabilities. The BJP's policy was to keep the East Asian powers, and especially China, out of the Indian Ocean. However, faced with the prospect of a more powerful China, India has slowly gravitated toward the United States.

Although both countries have problems in regard to nuclear arms proliferation and human rights, the post-Cold War era offers a rare opportunity to both countries to improve their relations. The end of the Cold War and India's emerging economic opportunities have raised New Delhi's profile in terms of its relations with Washington.¹²⁶ India's current economic reforms aimed to liberalize its economy have opened India's huge market

¹²⁵Dutta, "China's Emerging Power and Military Roles," 104-7.

¹²⁶Robin Raphel, Assistant Secretary of State for South Asia, "Statement Before the House International Relations Subcommittee on Asia and the Pacific," in *The Future of U.S. Foreign Policy in Asia and the Pacific* (Washington, D.C.: U.S. Government Printing Office, 1996), 250-59.

to American trade and investment. Thus, in the mid-1990s, the U.S. Commerce Department declared India as one of its top ten emerging markets and gave India a special priority in American trade promotion efforts. Strategically speaking, given its size, location, and military capabilities, India potentially has an important role in the arcs stretching from the Middle East through Central Asia and from the Indian Ocean to Southeast Asia, a region where the United States has significant strategic interests. Closer relations with India would ensure that India tempers its relations with Russia and would also provide the United States with a countervailing Asian power against potentially militarily powerful and hegemonic China.¹²⁷ On the other hand, India's loss of Soviet support and the demise of the Nonaligned Movement have left New Delhi with no foreign policy anchors. Consequently, New Delhi found that India's long-term economic development is now premised on a closer relationship with the United States and with Western economic institutions and investors.¹²⁸ Both countries also share a common interest in asserting the UN's security role in the post-Cold War international system, in the global spread of democracy, in the need to contain Islamic fundamentalism and international terrorism, and in preventing the PRC from exerting influence in Myanmar and asserting its territorial rights in the South China Sea. Consequently, both countries have conducted high-level military exchanges aimed to foster interoperability, confidence, friendship, and understanding between their armed forces. The long-term goals of these exchanges are to normalize military-to-military relations and to enhance Indian Ocean regional stability.¹²⁹ Closer U.S.-India relations have been formalized by the establishment of the U.S.-India Commercial Alliance that has been formed to promote interactions between the private sectors of the two countries and by the decision to forge an Agreed Minute Agreement between their defense establishments that outlines

¹²⁷Waheguru Pal Singh Sidhu, *Enhancing Indo-U.S. Strategic Cooperation*, Adelphi Paper #313 (New York: Oxford University Press, 1997), 76.

¹²⁸Jed C. Synder, "After the Cold War: South Asian Security," *Strategic Forum* (National Defense University, Washington, D.C.), no. 43 (August 1995): 1-4.

¹²⁹For more discussion on U.S.-Indian military exchanges, see National Defense University and Institute for Defense Studies and Analyses, *The United States and India in the Post-Soviet World* (Washington, D.C.: National Defense University, 1993).

plans for Indo-American security cooperation. Efforts by both the United States and India to foster a closer strategic cooperation undoubtedly present Beijing with a clear strategic nightmare.

There is little convergence of international interests between New Delhi and Beijing and what is remaining is being eroded by the growing power asymmetry between the two Asian states, China's inability to treat India as an equal power, and also because both countries are still very suspicious of each other. More likely, China and India will continue their traditional geopolitical rivalry and this will hinder any prospect for the immediate resolution of their border dispute. Sino-Indian competitive relations, coupled with their lingering territorial dispute, are something very common among two major powers sharing contiguous borders. It seems that geography, history, and their status as regional powers have put a curse on the two countries—the curse of an "enduring rivalry." Therefore, these two countries are bound to pay the price of this curse: severe and repeated conflicts over a long period of time; an expectation that their competition will persist for a very long time; and a realization that their friendship will always be limited and short before their rivalry becomes the dominant mode of bilateral interaction again.¹³⁰

¹³⁰For a comprehensive discussion of the concept of enduring rivalry, see Paul F. Diehl, *The Dynamics of Enduring Rivalries* (Chicago: University of Illinois Press, 1998), 6.