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CAN INDIA-CHINA COOPERATION PAVE THE WAY FOR 'CHINDIA'?

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When Narendra Modi was sworn in Prime Minister on May 26, 2014 as the head of a 45member coalition government, after the elections catapulted the first government with absolute majority in 30 years,¹ along with the euphoria, there were also concerns about the global reactions on the development. The reaction from our powerful neighbour definitely mattered to us. Chinese Premier Li Keqiang sent his hearty congratulations to Prime Minister Modi on being proclaimed as India's 15th Prime Minister. He said, "India and China are important countries in vicinity. They are also top two emerging markets in the world. India-China relations have moved beyond the bilateral scope and assumed global and strategic significance."²

Both the Asian giants together constitute more than 40% of the world population. Should synergy between these two ancient civilizations be achieved, "Chindia" would be a force to reckon with.³ Similar sentiments were echoed by Chinese Foreign Minister Wang Yi during his visit to India on June 8, 2014. He conveyed that Chinese leadership was eager to have profound ties with the new government in New Delhi under Prime Minister Narendra Modi. He emphasized that both sides could address the differences over the boundary dispute.⁴

There are huge expectations from India-China cooperation. The cooperation in the multifarious arena has actually made significant progress since the beginning of the century. For example, bilateral trade volume has increased by over 20 times. Frequencies of mutual visits have increased nearly three-folds. Direct flights between the two countries are up from almost nil to 45 a week. However, given the combined population of 2.5 billion, even this magnitude of cooperation is still not up to the mark and level that it needs to be. The metaphor of the emerging tip of a massive buried treasure that awaits discovery is appropriate to stress upon the

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scope. Even the analogy of a huge volcano that is preparing itself for a bulging eruption is not an exaggeration.⁵

Perhaps the pace of India-China espousal prompted Chinese Foreign Minister Wang Yi to compliment the new government, saving it "had reinvigorated an ancient civilization." Mr. Wang's trip was definitely an ice-breaker for the two countries, but controvertible issues, including Tibet, hydel projects on the Brahmaputra and conflicts over the LAC were not on the agenda.⁶ The fact that the new government included the PM of the 'Tibetan-Govt in exile' Lobsang Sangay, at Prime Minister Modi's swearing-in ceremony in May and Tibetan groups held protests against Mr. Wang's visit did not amuse Chinese government. Despite these irritants, the spirit of the visit was not dampened at all. Drawing the parallels and similarities between India and China, some people have gone to the extent of calling Prime Minister Narendra Modi the "Deng Xioping of India". This analogy is based on three reasons:

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- "Modi represents a decisive break from dynasty rule like Deng Xiaoping broke with the Mao Zedong ideology.
- Modi's attributes like decisiveness, pragmatic approach and the obsession to get things done are comparable to those of the Chinese reformist leader.
- Both leaders are considered to be believers in long-term horizon for their respective countries."⁷



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The euphoria generated by Wang Yi's visit was carried forward by Indian Vice President Hamid Ansari's visit to China from June 26 to June 30, 2014 to commemorate 60 years of Panchsheel agreement. He was accompanied by Minister of State for Commerce and Industry (Independent Charge), Nirmala Sitharaman. The minister, during her talks with her Chinese counterpart Gao Hucheng flagged India's concerns over the trade deficit averaging over USD 35 billion a year. The two sides later inked the MOU on Cooperation on Industrial Parks in India to enable more Chinese investment. The bilateral trade between India and China totaled USD 65.47 billion last year.⁸ India and China on June 30, 2014 signed a total of three bilateral agreements. Most important of them were regarding the setting up of industrial parks and increasing the data sharing on flood water from the Brahmaputra river. The memorandum of understanding (MoU) on industrial parks provides an "enabling framework" for Chinese companies to set up manufacturing units at industrial parks in India. The MoU on flood data sharing will provide India with 15 days more of hydrological data of river Brahmaputra. The data assists India in flood forecasting. The third MoU will enable the two countries to establish a framework for frequent interactions between administrative officials to share experiences and gain from each other's best practices.⁹

The Indian Prime Minister Narendra Modi's visit to Brazil for the BRICS summit in mid July, where he met the Chinese President, ended on a positive, underscoring the point that India-China relationship is extremely dynamic and has enormous potential. It is vital for India and China, the two major forces in the region, to achieve peaceful, cooperative and inclusive development on the way to a multi-polar world. This would not only bring huge dividends to the people of our two countries but also benefit the entire region.

(Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the position of the Centre for Air Power Studies CAPS)

¹ "Chinese PM congratulates Narendra Modi; vows to take ties to new level" Economic Times, May 27, 2014 availble at

http://economictimes.indiatimes.com/articleshow/35622280.cms?utm_source=contentofinterest&utm_med ium=text&utm_campaign=cppst accessed on May 27, 2014.

² Ibid.

³ Raj Mongia, "China Keen to Tap India's Services Sector: Is it Revival of Chindia Syndrome?", CAPS e-journal, May 25, 2014 available at <u>www.capsindia.org/infocus</u>

⁴ Ananth Krishnan, "China Stands by You in Pursuit of Dreams: Wang", The Hindu, June 8, 2014.

⁵ Ibid.

⁶ Suhasini Haidar, "Wang visit to set tone for Modi-Xi meet", The Hindu, June 9, 2014.



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⁷ Arvind Subramanian, "Modi could be India's Deng Xiaoping", The Hindu, May 27, 2014.

⁸ "India, China Sign Pact to Set up Chinese Industrial Parks", PTI, New Delhi, July1, 2014, available at hhtp://indiatoday.intoday.in/story/india-china-sign-pact-to-set-up-Chinese Industrial-Parks/1/369293.html accessed on July 9, 2014.

⁹ Suteirtho Patranobis, "India, China sign 3 pacts, focus on bilateral trade", Hindustan Times, July 1, 2014, available at http://www.hindustantimes.com/india-news/india-china-sign-3-pacts-focus-on-bilateral-trade/article1-1235401.aspx.accessed.on_July_9, 2014.