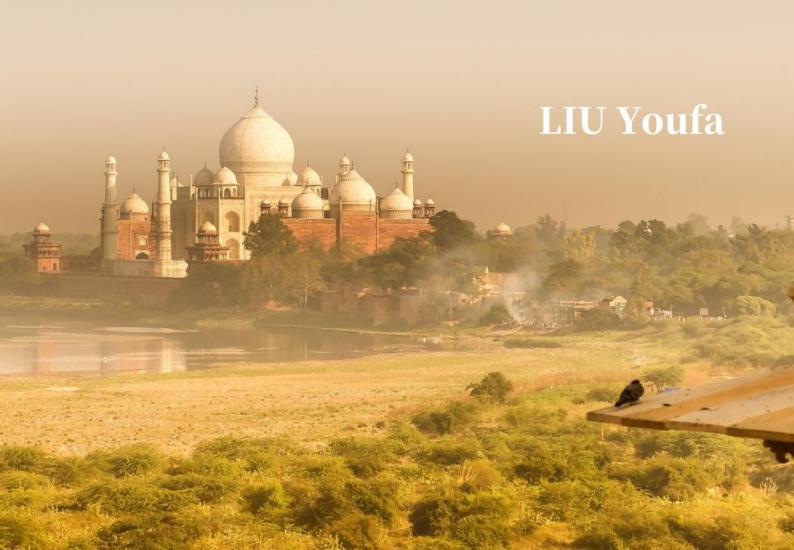




Recent India-China Border Clashes:

Causes, Consequences, and Policy Recommendations





About SIIS

Founded in 1960, the Shanghai Institutes for International Studies(SIIS) is a government-affiliated high-caliber think tank dedicated to informing government decision-making by conducting policy-oriented studies in world politics, economics, foreign policy, and international security. SIIS maintains intensive and extensive exchanges and cooperation with research institutions at home and abroad, bolstering China's international influence and soft power.

SIIS boasts an authorized size of 106 full-time research fellows and staff, including 60% senior fellows. SIIS was ranked one of the top ten Chinese think tanks In 2006, and one of the top ten global think tanks (non-American) in 2008. SIIS comprises seven institutes and six research centers, namely, the institute for global governance studies, the institute for foreign policy studies, the institute for world economic studies, the institute for international strategic studies, the institute for comparative politics and public policy, the institute for Taiwan, Hong Kong& Macao Studies, the institute for data processing and studies, the center for American studies, the center for Asia-Pacific Studies, the center for Russian and Central Asian Studies, the center for West Asia and Africa studies, the center for European studies, and the center for maritime and polar studies. In addition, SIIS is an institutional member of the Shanghai International Strategic Studies Association and the Shanghai International Relations Association.

Global Review (bimonthly, Chinese) and the China Quarterly of International Strategic Studies are the two flagship journals of SIIS and have become a prestigious academic platform for domestic and international scholarship.

© 2020 by Shanghai Institutes for International Studies. All rights reserved.

Shanghai Institutes for International Studies 195-15 Tianlin Road, Xuhui, Shanghai, PR.China 021-54614900|www.siis.org.cn



Recent India-China Border Clashes:

Causes, Consequences, and Policy Recommendations

Liu Youfa¹

Three weeks after a deadly border clash between Chinese and Indian soldiers in the Galwan valley, Beijing and New Delhi reached an agreement of disengagement on July 5 in which Chinese State Councilor Wang Yi and Indian National Security Adviser Ajit Doval pledged to pull back both troops from the site of skirmish to create a *de facto* "buffer zone" to deescalate tensions and restore stability in the border area. Having taken place amid a still-raging global pandemic and escalating China-U.S. rivalry, this latest episode of military standoff has cast a pall over the bilateral relationship which just passed its 70th anniversary in April. It may take years for Beijing and New Delhi to return to normalcy and even longer to restore any semblance of amity and trust. This article offers an analysis of the likely motivations and consequences of India's recent border provocations and the author's policy recommendations on how to maintain border stability in the interests of regional peace and prosperity.

Motivations behind the Provocation: Geostrategy, Domestic Politics, and Regional Ambitions

Seeking geostrategic advantage for military operations against China. Military modernization has been prioritized and accelerated under successive administrations in India's defense and security planning since 1962 when New Delhi suffered a humiliating defeat in a major border war with Beijing. Border clashes from the Doklam standoff in mid-2017 to the fatal skirmish in the Galwan valley are the latest instances of India's escalating military posture against Beijing in disputed areas. They reflect a larger effort by India to seek local strategic and military advantages visavis China. To bolster its strategic position against China in future conflict scenarios, on August 5, 2019, the Indian parliament declared the abrogation of Article 370 of the

1

¹Dr. Liu Youfa served as the Chinese Consul-General in Mumbai in 2013-2014. He is now Director of the Center for South Asian Studies at the Shanghai Institutes for International Studies.



Constitution, nullifying the special status of the state of Jammu and Kashmir. Following the abrogation, New Delhi immediately deployed tens of thousands of troops to the area along the Line of Control (LoC) with Pakistan. A strategically valuable area long disputed among India, Pakistan, and China, Kashmir is also the shared "water tower" of India and Pakistan, the water lifeline for hundreds of millions of Indians and Pakistanis. India's massive troop deployments have largely brought the Siachen Glacier under New Delhi's control, securing local water security and geographically separating India's arch rivals---China and Pakistan. The Galwan valley is near the Line of Control (LoC) in Kashmir, adjacent to the Aksai Chin region in China, from which the Indian troops could gain easy access to the Qinghai-Tibet Plateau and enter the inland area of China. The Indian side has repeatedly violated the bilateral agreements with regard to the border area by sending troops into the Chinese side of the line of actual control in the Galwan valley to construct new bridges and roads. In the latest bloody episode, Indian troops, in search of an advantageous strategic standing against the Chinese, sought to create a new fait accompli by launching a sneak attack on a Chinese camp site, effectively breaking the line of actual control established on November 7, 1959.

Rallying public support for domestic revival and external competition. Since winning a second term last year, Prime Minister Modi has been promoting a Hindu nationalist vision of a Greater India of "one religion, one language, and one culture." Even as it flexes muscles in its periphery by provoking border conflicts with neighbors, the Modi administration has also put in place more pro-Hindi religious policies and drafted a uniform civil code which will revise the constitutional articles regarding the citizen status of ethnic and religious minorities. These administrative and legislative measures have triggered nationwide backlashes as ethnic and religious minorities have taken to the streets. The government's belated and inadequate responses to the Covid-19 pandemic have further exacerbated popular dissatisfaction. Ineffective lockdowns across the country put million of wage-earners in a dire dilemma, either "go out to work and die from the virus" or "stay at home and die of hunger." Since mid-June, devastating locusts and floods have hit part of India even as coronavirus cases are piling up, displacing millions of local residents. Seeking to deflect the popular criticisms of the



government's ineffective response to the virus and ill-informed social policies, New Delhi made the fateful decision of attacking China's position a long-contested area, turning simmering border tensions into a full-blown military and diplomatic crisis.

Besides the recent nationalist turn and military adventurism, New Delhi has embarked on a sweeping economic initiative to outflank China in a post-coronavirus world. Despite slow progress in the implementation of the manufacturing revival strategy introduced in early 2015, the Modi administration, anticipating a probable China-U.S. decoupling after the coronavirus crisis, is going to extraordinary lengths to woo American manufacturers. An interagency committee has been put together to design specific preferential policies and Indian missions overseas are fanning out in a stepped-up lobbying campaign targeting U.S. industrial giants. At the same time, New Delhi is planning a 460,000-hectare special industrial park to host American companies moving out of China, focusing on high-tech sectors, advanced manufacturing, and high value-added industries, such as electronics, pharmaceuticals, heavy machinery, solar panels, and textiles. However earnest and ambitious Modi's master plan may be, it is really hard to achieve anytime soon. China is the first to have effectively contained the Covid-19 pandemic and reported positive growth among all major economies. While sporadic cases do occur on the mainland, the virus has been brought under effective control since early April and major economic indicators, such as retail sales, consumer confidence, and jobless rates, have all improved. China's market appeal relative to other economies' has not been diminished in the coronavirus crisis and most American multinational corporations still consider it to be among the top destinations of global FDI flows. A recent survey by the U.S. Chamber of Commerce in China shows that 85 percent of the American businesses in China have gained profits from their Chinese operations and admitted that they are reluctant to move outside China unless they can find alternative locations with far more attractive policy incentives and business environments.

Pursuing primacy and absolute security in a contested neighborhood. Seeing Beijing-led transcontinental initiatives like the Belt and Road and AIIB as part of China's effort to undercut New Delhi's standing in South Asia and the Indian Ocean---



long regarded as India's backyard---India is cozying up to U.S allies in Asia by aligning its own strategic outlook with the Indo-Pacific visions of America, Japan, and Australia. Knowing that it cannot confront China on its own, New Delhi provoked border clashes in the lead-up to the planned naval exercises with Washington and Tokyo and is now contemplating inviting Australia to participate in the annual Malabar naval exercise. India's military adventurism in disputed areas is also part of its relentless effort to pursue absolute border security vis-a-vis China since 1962. The Galwan standoff is the most recent exercise in New Delhi's long-held "forward policy" toward its neighbors. The miscalculated move was met with strong Chinese resistance and resulted in significant Indian casualties.

Bilateral and Regional Consequences of Strategic Miscalculations

India's unilateral provocation and the resultant open hostility between China and India, the two largest developing economies in the world, have not only set back bilateral relations for years but also undermined regional security and prosperity.

Disruptive effects on India's domestic development. The rise of a nation is achieved through the growth of its comprehensive strength. National renewal is attained, first and foremost, through sustained economic growth and the improvement of people's livelihood; it can never be realized in military aggression and adventurism. In a globalized world, an individual nation's economic revival has to be sustained by a robust manufacture and deeper integration with global value and supply chains. "Beggar thy neighbor" policy cannot go far in a world where the proliferation of traditional and nontraditional security challenges has disproved the notion of absolute security. On the threshold of the Fourth Industrial Revolution, littoral countries of the Pacific and Indian Oceans will be the places where new technologies, products, markets, industries, and value and supply chains emerge. With comparative advantages like a relatively cheap labor force and a huge market, India should have chosen to join the emerging RCEP to advance its domestic agendas like manufacturing revival and structural reform. Instead, a false sense of encirclement and decades-old skepticism toward Beijing have led New Delhi to opt out this promising bloc.



A roadblock in the path of Asian development and security. Much of the history of the twenty-first century will be written in Asia, where the world's new manufacturing hubs, consumer bases, and sources of human capital are emerging, and where China and India, the two most populous countries, will serve as the double engines for world economic growth. RCEP, which covers 3.5 billion people and accounts for 30 percent of the world's GDP, will be the most important cohesive agent that could bind Central and West Asian countries together on which many Asian economies depend for energy security. India's withdrawal from RCEP and refusal to join any trade organizations of which China is a member means that it has chosen to go against the mega-trend of greater regional integration and separate itself from a regional bloc which may help New Delhi export more goods and attract more foreign investment.

Asia is the only major region without a pan-continental security architecture. Sustained economic growth across the region has not led to closer security cooperation. India's strategic moves since the beginning of the year, including changing the political status of Kashmir and provoking border disputes with China and Pakistan, have renewed the international community's concern about South Asian stability and security. The United Nations Security Council adopted a global ceasefire resolution by a vote of 15-0 in early July which requests all UN members to stop armed conflicts and hostilities, a timely curb on New Delhi's aggressive military posture.

Major setbacks for China-India relations. Instead of advancing Sino-Indian friendship on the occasion of the 70th anniversary of diplomatic ties, New Delhi is promoting anti-China rhetoric after suffering significant casualties in border skirmishes. Prime Minister Modi ratcheted up anti-China sentiment with an inflammatory speech during his border visit after the June 15 standoff. New Delhi has also imposed higher tariffs and non-tariff barriers against Chinese goods, banned Chinese apps in India, and curbed Chinese companies bidding activities. It has also increased discriminatory security scrutiny against Chinese investment projects in India, reinforced military deployment in border areas, and joined multilateral naval exercises with Western powers. All these developments have raised the alarm bell in Beijing and dashed any hope that the bilateral ties can be improved anytime soon.



Policy Recommendations on Border Security and Stability

The recent border clash in the Galwan valley has come to an end without further armed conflict thanks to the timely intervention by the top leaders. However, the fateful clash has left important lessons for both sides.

Staying focused on development and cooperation. The coronavirus pandemic continues to wreak havoc on the world economy and raise further doubts about the promised benefits of deeper globalization. Both China and India are at a crucial moment of economic development and national revival when the domestic pressures are mounting to conduct structural reforms and find new drivers of growth. There are one thousand reasons for Beijing and New Delhi to join forces in growing their economies, maintaining regional stability, and assuming more international responsibilities as great powers. Rather than viewing each other as principal external challenges, China and India should see the other's development as their own opportunity and make greater efforts to restore mutually beneficial cooperation.

Maintaining border security and stability. Decades-old border disputes cannot be solved overnight. But that doesn't mean bilateral cooperation should be the victim of territorial disputes. A more nuanced approach should be adopted by both sides to compartmentalize bilateral ties so that border issues will not affect closer cooperation in economic, political, cultural, military, and security affairs. Amid a global health crisis, peace and security must be prized if the two largest developing countries want to overcome the current economic and social difficulties at an early date. Both sides should make the best use of the dialogue mechanisms between special representatives and senior military officers to minimize the negative effects of unexpected border clashes.

Making development-focused and peace-oriented foreign policies. The two great powers share similar development goals: while India wants to grow into a five trillion dollar economy in 2025; China is expected to be a moderately well-off society around the same time. But these goals can only be fulfilled in a general peaceful neighborhood. Both Beijing and New Delhi should exercise maximum restraint when it comes to border issues and the consensus reached between President Xi Jinping and



Prime Minister Modi must be implemented to the fullest extent. Both must realize that in the twenty-first century territorial disputes cannot be solved through military means. When they are making domestic policies, both should consider the possible ramifications the policies may create on the bilateral relationship and refrain from doing anything that might cause disruptive effects.

Creating a health media environment for positive public opinion toward each other. More often than not, media reports on border conflicts have exacerbated bilateral discord and increased mutual distrust. Beijing and New Delhi should include media cooperation in their bilateral dialogues to strengthen media ethics and crack down on fabricated news reporting. Government information should be disclosed timely and accurately to increase transparency and impartial and facts-based reporting should be encouraged to help the general public better understand bilateral issues.

Avoiding strategic miscalculations. The Sino-Indian relationship won't go far without the political guidance from both sides' top leadership. As two emerging economies with growing global presence and different development strategies and foreign policies, Beijing and New Delhi ought to refrain from challenging each other's core interests, manage disagreements carefully, increase policy transparency, build up confidence incrementally, and assume shared responsibility for regional stability and prosperity.