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China's Shifting Perceptions of India: The Context of Xi Jinping's Visit to India

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Selina Ho, Senior Research Fellow at the Centre on Asia and Globalisation, National University of Singapore, explains that “The growing strategic proximity between China and India increases the potential for conflict but also for cooperation.”

Chinese President Xi Jinping's recent visit to India, from September 17-19, appears to have fallen short of the high expectations generated during the run-up to the visit. It was Xi's first official visit there as president, and he was visiting just four months after Indian Prime Minister Narendra Modi's landslide electoral victory. Both Xi and Modi are seen to be unusually well positioned to move relations forward, as both are their respective country's strongest leader in a long time. Xi further added to hopes that the visit will break new ground by penning an editorial in *The Hindu*, describing China and India as “global partners,” and as “the world's factory” and “the world's back office.” There were also expectations that Xi's visit would bring more than US\$100 billion worth of investments to India. However, the 16 bilateral agreements signed during the visit only amounted to approximately US\$30 billion. The visit was also marred by news of fresh Chinese troop incursions along the Sino-Indian disputed border. Xi's visit falls into a familiar pattern – much hype surrounds each high-level visit, only to be followed by less-than-stellar outcomes.

A broad view of Sino-Indian relations, however, points in a positive direction. The highs and lows of Xi's visit, and the general unevenness that characterizes Sino-Indian interactions are part and parcel of a larger trend. China's relations with India are undergoing a period of re-evaluations and gradual policy adjustments, motivated by shifts in Chinese perceptions of India. China holds two views – a traditional view that assesses India through historical lenses, and a more contemporary view that is shaped by India's strategic rapprochement with the United States, the importance of the Indian Ocean to China's economic and strategic interests, and India's “Look East” policy. The contradiction between these two views results in a perceptual dilemma for China and explains the consequent ambivalence in Chinese policies – should India be regarded as a “backward” country that is an irritant on its southwestern flank? Or should it be treated more seriously as a potential rival, thus requiring a more comprehensive policy of engagement? Xi's visit reflects the tension between China's desire to improve relations with India and the burden of unresolved historical issues.

China traditionally regards India as a regional power that is significant, but only in the context of South Asian politics. In bilateral relations, Tibet and the Dalai Lama are the biggest obstacles in Chinese eyes. China also has a low regard for India's development. A yardstick that China uses to measure itself and others is the concept of Comprehensive National Power (CNP) developed by Chinese scholars Hu Angang and Men Honghua. Hu and Men's study shows that China has been consistently ahead of

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India; between 1980 and 2003, India’s CNP, as a share of the world’s total, grew by 1.5 percentage points compared to China’s 5.23 percentage points.

These images of India are at odds with the image of a rising India. A number of recent geostrategic developments raise India’s significance to the Chinese. Chief among these is India’s strategic rapprochement with the United States, signified by the “New Framework for US-India Defense Relations” and the lifting of a three-decade moratorium on nuclear trade with India in 2005. To China, India is an important node in US strategy to check China. China’s increasing presence in the Indian Ocean also explains its perceptual shifts of India. It has become reliant on the sea lanes in the Indian Ocean for shipping its oil and gas imports. Its weaker position vis-à-vis India in the Indian Ocean raises India’s position in China’s threat calculations. The third reason for China’s shifting perceptions is India’s “Look East” policy. India has stepped up trade, investments, and security ties with Southeast Asian countries – China’s traditional sphere of influence. In addition, although China has reacted mildly to the increasingly cozy ties between India and Japan, China does fear a US-Japan-India encirclement.

As a result of these developments, the arena in which China engages India has expanded; it not only has to engage India in the South Asian continent as in the past, but also in the Indian Ocean and the Asia-Pacific. China’s greatest fear is a convergence of threats from the east and the west. To prevent such a scenario, Chinese leaders are keen to step up engagement of India. The signing of three significant border agreements, in 2005, 2012, and 2013, marked attempts to stabilize the border dispute. The latest signed during then Prime Minister Manmohan Singh’s visit to China in October 2013 is significant for establishing protocols aimed at preventing accidents and miscalculations along the border. During Singh’s visit to China, two significant Memorandums of Understandings (MOUs) were signed. The first was an agreement by China to extend the period during which it shares hydrological data with India, and the other was on new cooperation in the sharing of knowledge in transportation technology, road construction standards, road safety plans, and experience related to public-private partnership models.

Other recent efforts to engage India include the signing of a series of MOUs during Prime Minister Li Keqiang’s first official visit to India in May 2013 to increase Indian exports to China and to set up investment parks aimed at dispelling Indian unhappiness with the unidirectional flow of bilateral trade and investments from India to China. In February 2014, China also proposed to invest US\$300 billion in India’s infrastructure plan.

To address Indian concerns about its security goals, Xi’s “peripheral diplomacy” is designed to signal China’s intentions to refocus on its relations with states in its periphery, emphasizing stable and friendly ties with its neighbors. Xi has also touted the idea of a “maritime silk road,” which he highlighted during his visit to India, and also in the Maldives and Sri Lanka just before arriving in India.

The growing strategic proximity between China and India increases the potential for conflict but also for cooperation. To help build confidence and reduce the trust deficit between them, China and India could work together on counter-terrorism and environmental issues, and in regional forums like the Shanghai Cooperation Organization. China and India could also move towards greater economic integration in China’s southwest and India’s northeast, the areas disputed between them.

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