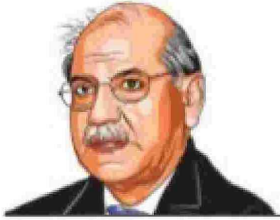


The Wuhan window



SHYAM SARAN

Modi-Xi summit gives India the chance to expand its diplomatic options in the neighbourhood and beyond

INDIA AND CHINA held their first ever “informal summit” in the central Chinese city of Wuhan on April 27 and 28. Prime Minister Narendra Modi and Chinese President Xi Jinping met on as many as four occasions in a one-to-one format and in two other restricted meetings. This is unprecedented and unusual and, therefore, significant. It reflects the singular dominance of Xi as China’s top leader, but Modi is cast in a similar mould. Xi is clearly the chief architect of China’s external relations. Modi has a strong belief in the value of personal diplomacy and leader-to-leader engagement. There is a mutual recognition that each has the stature to reorient the India-China relationship in a new direction.

Since the two leaders must have spoken to each other for several hours, even allowing for interpretation, their agenda must have been extraordinarily broad. While the official word on the talks has been that the leaders did not go into specifics but focused on overarching, long-term and strategic issues instead, is it realistic that these latter issues would have occupied so much conversation space? One hopes that the several hours of summit-level engagement did result in a shared understanding of the rapidly transforming regional and global geopolitical landscape, how these changes impact on the prospects of emerging powers like India and China and to what extent the two countries are willing to mitigate the competitive component in their relations to better cope with an uncertain and unpredictable world. Reading through the Indian press statement and the briefing given separately by the Chinese Vice Foreign Minister Kong Xuanyou at the conclusion of the summit, one gets the impression that certain tacit understandings may have been arrived at though they have not been publicly articulated. There are clues which point to such understandings.

One, there is no doubt that India and China are responding to recent regional and global developments, which have injected a heavy dose of uncertainty and unpredictability in the external environment of both countries. China has been blind-sided by developments on the Korean peninsula, with the two Koreas engaging in a détente process unmediated by the great powers, in particular, China. This is the first time that China found itself on the margins of dramatic changes on the peninsula and had to scramble to invite

There is now a recognition by China that it may have been too hasty in assuming the inevitability of a G-2 world dominated by China and the US and that perhaps there is still some value in maintaining a strategic relationship with other major emerging economies like India. This may be a temporary shift but it has opened up the possibility of expanding India’s own diplomatic options and should be taken advantage of. China is unlikely to reverse its penetration of India’s periphery and the Indian Ocean but one may see a greater sensitivity to Indian concerns than before. This may be the time to enhance our neighbourhood engagement and this includes relations with Pakistan.

North Korean leader Kim Jong-un to Beijing to show that it remains a key actor. If Kim’s forthcoming summit with US President Donald Trump produces significant results, China’s marginalisation will be patently on display.

After Xi’s visit to Mar-a-lago for a summit with Trump in March 2017, the Chinese appeared to have become over-confident of their ability to fend off a trade war with the US by promising to play a constructive role on Korea. But trade retaliation from the US has commenced and may worsen in the coming months. China will likely retaliate but this will only worsen the political relationship. If Trump walks out of the Iran nuclear deal later this month and severe sanctions are reimposed on Iran, China, like India, will find itself in an uncomfortable political and economic situation. The nervousness which we had found among the Chinese soon after Trump was elected is now back in acute form. A sharpening of US-China tensions will also make the prospect of the India-US-Japan-Australia quad a more threatening development for China than now. In sum, the persistent Chinese belief in the uncontested and upward linear trajectory of the country towards great-power status has now been seriously shaken. This backdrop is important to understand the dynamics at work at Wuhan.

Continuing a confrontational and overtly adversarial posture towards India could exacerbate the challenge China now has to face in a worsening geopolitical landscape. To the extent that India too is challenged by these new developments, a more benign relationship with China would be equally helpful. India has obviously made some moves to reassure China. There is a reversion to the policy of abjuring any official relationship with His Holiness the Dalai Lama and the Tibetan government-in-exile. If recent reports are to be believed, India is not inviting Australia to the Malabar naval exercises this year so the next logical step in crystallising the quad process has been stalled for the time being. While India has not changed its stand on the Chinese Belt Road Initiative (BRI), the report of a joint India-China development project in Afghanistan does soften the Indian opposition. It is also likely that the two sides will take some visible steps to energise their economic and commercial relationship, which would also make sense given the threat of rising protectionism from the US.

The one specific outcome announced at the summit is also one of the more significant, coming in the wake of the Doklam crisis. This is the joint commitment to maintain peace and tranquillity over the entire India-China border and the direction given by the leaders to their respective militaries to observe restraint, scrupulously implement Confidence Building Measures and strengthen communication links at all levels. The avoidance of provocative behaviour by both militaries deployed at the border is critical to maintaining the overall relationship on an even keel. This understanding augurs well for the future.

In 2005, India and China had agreed that their coincidental emergence as emerging economies had imparted a “global and strategic character” to their relationship. However, as the power asymmetry between India and China began to expand in subsequent years, China saw India in a lesser league, benchmarking itself instead with the US. There is now a recognition by China that it may have been too hasty in assuming the inevitability of a G-2 world dominated by China and the US and that perhaps there is still some value in maintaining a strategic relationship with other major emerging economies like India. This may be a temporary shift but it has opened up the possibility of expanding India’s own diplomatic options and should be taken advantage of. China is unlikely to reverse its penetration of India’s periphery and the Indian Ocean but one may see a greater sensitivity to Indian concerns than before. This may be the time to enhance our neighbourhood engagement and this includes relations with Pakistan. An improvement in India-China relations diminishes the potency of the China card our neighbours flaunt at us. Let us take advantage of an opening that may well close sooner than later.

India-China relations must be managed through a mix of competitive and cooperative policies and regular leadership-level interaction. The Wuhan Consensus reflects this understanding. But at the end of the day, the only effective instrument for managing India-China relations will be a significant, sustained and rapid development of India’s economic and security capabilities, thus narrowing the power gap between the two Asian giants.

The writer is a former foreign secretary and senior fellow at CPR