

### **Sino-Indian Relations**

#### What is the issue?

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Despite normalisation of ties post-Wuhan summit, Sino-Indian relations is still amid a mix of competition and cooperation.

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# How China hold an upper hand over India?

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- The One Belt One Road initiative can leverage china to import energy resources from central Asian countries and beyond.
- "Silk Road Economic Belt," under OBOR, will build land connectivity between China and Europe through the Central Asian countries.
- China set up a military base in Djibouti to have a vigil over the Indian ocean region and is also increasing its presence in the Gulf region and in Africa.
- Under "string of pearls" strategy it has already helped constructing ports and port facilities at Gwadar in Pakistan, Hambantota in Sri Lanka, Chittagong in Bangladesh, and Kyaukpyu in Myanmar.
- Through this, it has been slowly and steadily trying to assert its presence in the Indian Ocean and beyond.
- India reels under a huge trade deficit of \$51.75 billion with China and it shows no signs of abating.

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# How India hold an upper hand over China?

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• With the revival of the Quadrilateral Initiative, Indian Navy can hold a

commanding presence in the region between the Strait of Hormuz and the Strait of Malacca.

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- With the location of Andaman and Nicobar chain of islands at the entrance of the Strait of Malacca, setting up of a tri-services command gives it an unmatched reach in the region.
- The Gulf region is home to a huge Indian Diaspora and New Delhi has always had the upper hand in the West Asian region.
- $\bullet$  Yet, possible withdrawal of oil imports from Iran with US pressure might lead to a thaw in the bilateral relations. \n

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# What are their competing interests?

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• India has not joined the OBOR initiative owing to concerns about **violation of its sovereignty** in Jammu and Kashmir in the case of the China-Pakistan Economic Corridor (CPEC).

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- The \$46-billion CPEC aims to connect Gwadar on Pakistan's Arabian Sea coast to Kashgar in the Xinjiang province in western China.
- India is always concerned about China's "all-weather friendship" with Pakistan, especially the concerns regarding the supply of nuclear and missile know-how to Pakistan.

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• China has also repeatedly blocked India's bid for membership of the Nuclear Suppliers' Group (NSG).

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 $\bullet$  The two countries had also been locked in a stalemate last year when Chinese forces started constructing a road in the Doklam region in Bhutan.  $\$ 

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### What should be done?

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• Although China announced slashing of tariffs on 28 medicines recently, the

issue of entering the Chinese market after prolonged field trials and approvals persists.

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• Thus sector-specific concerns have to be addressed by both sides as and when as it arises.

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• Apart from reducing the huge trade deficit with China, India can develop a coherent policy to benefit from Chinese investment in the infrastructure sector.

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- $\bullet$  It should use multilateral forums like the BRICS and AIIB to deal with China's growing presence in its immediate neighbourhood. \n
- Regarding the transgression of border troops from both sides, India needs to have a **Standard Operating Procedure** (SOP) to deal it effectively.
- $\bullet$  Thus, both sides need to develop out of competition with their differences not be allowed to become disputes. \n

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## **Source: Business Line**

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