

Indian Prime Minister in China: 'A Good Beginning'

by Mary Burdman

China and India are, as China's Prime Minister Wen Jiabao noted recently, the two ancient world civilizations, whose populations now are two-fifths of mankind. These two giant nations, with many-thousand-year histories, tend to think in terms of generations when making policy—which today, embodies many of their ancient values. Hence, what is truly extraordinary, is how rapidly both sides heralded the visit of Indian Prime Minister Atal Behari Vajpayee to China June 22-27 as the beginning of a "new era." From their beginning, Vajpayee's meetings with his host, Chinese Prime Minister Wen Jiabao, and with President Hu Jintao and other very high-level Chinese leaders, were publicly hailed as "successful," "excellent," and "fruitful" from both sides.

This has sent a strong message to the world.

Indian External Affairs Minister Yashwant Sinha, who accompanied the Prime Minister, expressed his enthusiasm in an interview to the BBC on June 26. "This was an outstanding visit. The Chinese side said the first visit by Prime Minister Vajpayee as Foreign Minister in 1979 had succeeded in ice-breaking. And this time, they said it has been the beginning of a new era."

"There was no attempt on the part of either party to avoid an issue, evade an issue, sweep an issue under the carpet. Everything has been discussed as frankly and as freely as possible between two friendly countries," Sinha said. There will be "many more" exchanges before this year is out, he said. President Hu Jintao and Prime Minister Wen Jiabao were both invited to visit India.

On June 23, the two Prime Ministers signed their nations' first-ever "Declaration on Principles for Relations and Comprehensive Cooperation between the People's Republic of China and Republic of India." The Declaration emphasizes both sides' commitment to developing their long-term part-

nership; their "broad mutual interest" in peace, stability, and prosperity; and that their common interests outweigh differences. China and India agreed to "fully utilize" their potential for cooperation.

Wen Jiabao told the Chinese press: "We made one great achievement." The Declaration shows, he said, that "China-India bilateral ties had entered a new phase."

The achievements of Vajpayee's visit, have cleared the way for India and China to act effectively on their joint interests, and in the interests of developing nations generally, for the first time in 40 years. Both nations have made a critical step toward setting aside the legacies of British imperialism—which led directly to their boundary frictions—and the Cold War.

Behind the scenes, preparation for Vajpayee's trip have been ongoing for several years. High-level delegations of both sides had been meeting regularly, but very quietly, to work out viable arrangements on complicated issues, including the disputed border, over which China and India had gone—briefly—to war in 1962. When those arrangements were finalized, the visit was announced.

The Border Region

Two immediate developments show the progress made on these issues. One, is the "Memorandum on Expanding Border Trade," signed on June 23. The second development, is the arrival in India on June 30, of an unprecedented 58-member delegation from the Air Force of the People's Liberation Army to begin a one-week tour.

The agreement to expand border trade, which opened up the old "Silk Route" between Sikkim and Tibet, is not only very important for broad regional development, but also lays the basis to resolve questions and disputes over the status of



Indian Prime Minister Vajpayee met Shanghai Mayor Yang Xiaodu and other city officials on June 25. Constant progress in India-China relations is increasing the potential of the "Strategic Triangle" India-China-Russia to change international policies.

Sikkim in India and Tibet in China, in a beneficial economic context. Large sections of the 3,500 kilometer Chinese-Indian border are disputed, for many reasons of geography and history. The border region lies in remote areas of the highest mountain ranges in the world; British imperial policy to set up "buffer states" between its then-colony India and China, left many complications in its wake.

The new Memorandum opens "another pass on the India-China border," the Nathuala Pass, for trade. The Indian side designated "Changgu of Sikkim State" and the Chinese side "Renqinggang of the Tibet Autonomous Region" as venues for border trade markets. This wording is notable, because Beijing has not yet officially recognized Sikkim as part of the Indian Union, which it was made when the Sikkim government abolished the monarchy in 1975. On the Indian side, this is the first time it has officially used the term "Tibet Autonomous Region," the official Chinese name for Tibet.

In a June 21 interview with the leading Indian press, published on the eve of Vajpayee's visit, Prime Minister Wen Jiabao expressed his "great confidence in the broad prospects of bilateral cooperation." The boundary issue, he emphasized, is "a historical burden on our two countries left over by the colonialists." "The Chinese side," he said "stands for a fair, reasonable and mutually acceptable solution to the issue."

For his part, Prime Minister Vajpayee said at the Shanghai press conference ending his visit on June 27, that the decisions on border trade "were taking us in the right direction." With this opening, "we have started the process by which Sikkim will cease to be an issue in India-China relations."

"The kind of talks that I have had on the boundary issue during this visit have, perhaps, never taken place before," Vajpayee said. This "new initiative," he hoped, would "accelerate the search for a solution."

Most important, was that the boundary questions have been made what is called in Germany a *Chefsache*—a "matter for the chief." During their 45-minute private talks on June 23, Vajpayee suggested to Wen Jiabao that they appoint representatives to "explore" new methods to deal with border and border trade matters. Wen responded positively within 24 hours. India's representative is National Security Advisor and Prime Minister's principal secretary Brajesh Mishra; for the Chinese side, it is Executive Vice-Foreign Minister Dai Bingguo.

The economic development potential of these agreements is huge. China is rapidly building the first railroad to Tibet; if other infrastructure is built, the vast—and underdeveloped—interior of southwestern China and northeast India, as well as of the neighboring nations of Bangladesh and Myanmar, could be opened up. This is a critical link in the "southern tier" of the Eurasian Land-Bridge.

Regional Security

In Shanghai, Vajpayee said there would be no defense agreement with China. However, "confidence-building measures" between the two militaries are already expanding, and joint exercises being planned for the first time. The Chinese Air Force delegation, which includes eight major-generals, is to visit India's Air Headquarters, Air Force stations at Agra and Ojhar, the National Defence Academy and other joint service institutions.

It was stated that fighter exercises were possible later this year. This is particularly interesting, because both nations have very close defense and military ties with Russia, and both Air Forces are equipped with advanced Russian Sukhois. China's best fighter is the Sukhoi-27, and India has two squadrons of the more advanced Sukhoi-30MKI.

The Chinese and Indian navies are also planning a three-day joint search and rescue naval exercise, including major warships from both sides, India's Vice Chief of Naval Staff Vice Adm. John Desilva said on June 27. Date and place are being worked out.

Vajpayee's visit was the third meeting of top Indian and Chinese leaders within a month's time. Two themes have become bywords of their relations: One was the statement made by Wen Jiabao to visiting Indian Defense Minister Fernandes on April 21, that: "Our two big countries should always be friendly with each other from generation to generation. I think during the past 2,200 years, about 99.9% of the time, we have devoted to friendly cooperation between our two countries. . . . The two countries have had a long history of interaction," and misunderstandings "only 0.1% of the time." Fernandes has taken up this theme and repeats it all over India.

The other, is the Chinese side's appreciation of the Indian Prime Minister as a "man of peace" who is seeking to resolve the costly, long-term conflict with Pakistan. This was how Wen Jiabao greeted Vajpayee during their June 23 meeting, and the idea was taken up by President Hu Jintao and former President Jiang Zemin, chairman of the Central Military Commission, who met Vajpayee the next day. The Indian Prime Minister, for his side, emphasized how much he had appreciated his meetings with Hu Jintao in St. Petersburg, Russia, and Evian, France, in May.

Fernandes had made two other interventions to promote Chinese-Indian relations after his April visit. On May 3, at his first press conference after returning from China, he presented the Chinese Ambassador Hua Junduo with medication to combat the SARS epidemic. Hua Junduo responded with his hopes that China and India would jointly fight common enemies such as poverty, terrorism, and SARS.

Second, on May 10, Germany's *Frankfurter Allgemeine Zeitung* published an interview in which Fernandes declared that the U.S. nuclear presence in the Indian Ocean was first on the list of India's regional security concerns. The presence of the U.S. nuclear fleet to the south of India, China's nuclear capability to the north, Pakistan in the west, and finally, North Korea—in that order—were the deciding factors in India's decision to go nuclear with its tests in May 1998, Fernandes said.

India's nuclear tests and weapons "did not have to do with Pakistan," he said. "They have to do with our perception of our regional security." The relevance of this list of priorities, continues to the present, he said.

Economic Cooperation

As both sides emphasized, economic cooperation is the key to India-China relations. Overall economic relations are expanding remarkably fast, although from a low level just a few years ago. Last year, joint trade volume stood at more than \$4.9 billion, but already in just the first four months of 2003, this has risen by 70% year-on-year. China's total for-

eign trade volume grew by 39.6% in the same four months.

Prime Minister Vajpayee spoke to 400 Chinese and Indian entrepreneurs at a forum on "China-India Economic Cooperation and Development" in Beijing on June 24, and addressed another 500 entrepreneurs two days later in Shanghai.

At the Beijing forum, Vajpayee said that his visit to China has "truly been an eye-opener." The annual 30% growth of bilateral trade between China and India is significant, and means that the total of \$10 billion worth of trade—a goal proposed by former Chinese Prime Minister Zhu Rongji on his visit to India in early 2002—"is likely to be attained soon."

"China is today the world's fastest growing economy, and your achievements in the economic transformation of your country are truly remarkable," Vajpayee said. India has lagged behind, he acknowledged, but has in the last 12 years has had an average annual growth of nearly 6%, while trade with the rest of the world has grown by over 8% in the past decade. "I must note that the Indian business delegation accompanying me on this visit is among the largest that has traveled with me on my official visits abroad. This says something about the potential that Indian trade and industry circles see for economic cooperation with China," Vajpayee told the forum.

"It is very important to strengthen passenger and cargo transportation links, banking support structure and trade facilitation measures. . . . Of course we have much further to go to realize the full potential of our partnership."

Vajpayee announced that the two governments have taken a concrete step in that direction. "Our two governments have decided to make concerted efforts to move our economic cooperation to greater heights." At his meeting with Wen Jiabao the day before, it was decided that "we should form a Joint Study Group of economists and officials from our two countries to review existing cooperation, to identify new areas of promise and to draw up a comprehensive perspective plan for the further development of a multi-faceted interaction." He called on business and industry of both sides to provide "meaningful inputs" for this initiative.

One concrete step, is that the Chinese side has pledged an investment of \$500 million for infrastructure development and resource building in India. Beijing is especially keen on enhancing cooperation in the area of public finance and wants to set up a mechanism for a dialogue on this question.

Cooperation has an unlimited future. Chinese scientists have stated that China has much to learn from India's "green revolution" in high-quality grain production, while, as Indian observers note, India could learn much from China's expertise in infrastructure development.

The two Asian giants have every possibility to outflank the geopolitical operations which have been played out in Eurasia for so long. At Shanghai, India's Information and Technology Minister Arun Shourie said the two countries should not be part of the "big game" that some others want to play in the region. "If we want to be together, nobody can

keep us apart,” Shourie said, while warning that if the two sides lapse into rivalry, then outside forces could intervene.

Before he left Shanghai, Vajpayee said he would remain in regular contact with Wen Jiabao. “My discussions with President Hu Jintao, Chairman Jiang Zemin and Premier Wen Jiabao . . . were most cordial and fruitful,” he said. “We got the distinct message from these meetings that China fully reciprocates our desire for mutual goodwill and for a comprehensive expansion of our cooperation in all areas. We were also in agreement that cooperative relations between India and China would be a positive force in the search for a multipolar world order. All my interlocutors stressed that the current global situation requires India and China to work together.”

One immediate effect of this working together, will be enhanced relations among Eurasian nations, especially the “Strategic Triangle” of China, India, and Russia.

This Strategic Triangle, based on Eurasian development, is the concept of strategic relations, and a community of sovereign nation-states, that Lyndon LaRouche has been working to bring about for many years, and which he presented anew at a conference in Bangalore, India in May 2003.

Press Trust of India (PTI) quoted a senior Chinese Foreign Ministry official saying on June 30, that “China, Russia, and India share many common interests in promoting a democratic international relationship and safeguarding international security and stability as well as developing regional economy and safeguarding regional stability and development.” The official said that the countries have many identical positions and concerns, and noted their joint discussions on trilateral cooperation.

In the past, according to this official, the proposed Strategic Triangle failed to take off mainly due to lack of trust between New Delhi and Beijing. But with their bilateral relations having entered a new phase, trilateral ties of the countries “offer immense scope for them to cooperate, maintain regional and global peace and stability.”

“We believe that those exchanges, coordination and cooperation conform to enhancing mutual understanding and bilateral ties between the three. They also help to maintain peace and stability of the region and the world at large,” PTI quoted former Chinese Ambassador to India Zhou. Zhou, Secretary General of the India-China Eminent Persons’ Group, said that the three nations should have “realistic consultations” on the establishment of a multipolar world. At the same time, “all the three countries want to have good relations with the U.S. and are taking steps to further their individual bilateral ties with Washington,” Zhou said. “While the trilateral ties do not pose a threat to countries in the region, it could act as a stabilising factor for peace in the region.”

A Chinese proverb says, “Every long journey begins with one step.” Prime Minister Vajpayee summed up his trip with the Hindi variation: “The road ahead is a long one, but a good beginning has been made.”