SECOND INFORMAL MODI-XI SUMMIT

A Forward Movement in India and China Relations

Major Gen BK Sharma (retd)
India China Competitive Engagement – Beyond Chennai Connect

Ashwani Sharma
Why producers of delicious Himachal apples are worried about the China produce

Dr Pravesh Kumar Gupta
Essential for India-China to manage differences so they don’t become disputes

Lt Gen Kamal Davar (retd)
The Rise of China and Shaping the Indian Response

Dwitpriya Sanyal
Lessons for the Tiger from the Dragon: An Economic Snapshot

Ai Ping
Many areas where China, India can find common areas of growth, prosper together

Air Marshal Harish Masand (retd)
Beijing reaches out to bridge differences: Co-Operation on Chinese terms?

S. Swaminathan
Mamallapuram: A climax of Indian cultural effervescence
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China has managed to change the lives of the largest number of people in the shortest period ever. The rapid transformation of China and its sweeping reforms to become an economic superpower has earned the admiration of ordinary Indians. Indians who go to China come back with tales of dazzling cities and the giant strides made by the Dragon.

China’s ability to successfully modify weather over a limited geographical area is impressive. With its weather modification techniques, China has successfully managed clear blue skies during state celebrations and festivities.

China has demonstrated its ability to change the weather by using multiple techniques, and ensure clear blue sky on demand by forward thinking and planning. One of these measures is the adoption of rigid pollution control norms. This was witnessed when the Asia-Pacific Economic Cooperation (APEC) meeting held at Beijing in November 2014.

Beijing faces the problem of heavy haze and smog. Ahead of the APEC meeting, Beijing and nearby regions were put under stringent pollution control rules. The emission reduction measures strictly stayed in place for days. As a result, when the APEC meeting was held from November 10-12 in 2014, China had clear blue sky. Since then, China’s capability to ensure blue skies when desired has been termed as APEC Blue.

China has also successfully managed to prevent rain at specific venues on vital days by firing missiles or rockets on the rain-bearing clouds. The weather modification is possible because the missiles or rockets aimed at clouds are loaded with a mix of dry ice, salt and silver iodide. This way, precipitation is induced in the clouds before they come close to the venue of the celebrations or festivities.

This technology isn’t new for China. The same method was used during the 60th National Day Parade of the People’s Republic. Reports stated that 432 rockets were fired in order to clear the clouds around Beijing.

These weather modifications cannot happen without strong technology and infrastructure support. The infrastructure support is also in the form of specialized vehicles that throw strong streams of air to chase away approaching fog.

The weather modification experiment had been undertaken by China for the opening ceremony of the Beijing Olympics in August 2008. The astonishing opening ceremony of the Beijing Olympic Games was an extravagant tribute to the grandeur of the Chinese civilization and stirred an ancient nation’s pride. It was reported that in order to ensure clear skies for this significant day, China’s weather modification office had fired 1,104 rain dispersal rockets. News reports had stated that the rockets were fired to stop rain clouds from coming close to the Olympics arena. The rockets had been launched by 21 sites, and the operation had continued for eight hours.

China’s impressive credentials on science and technology are now being globally acknowledged. The technological progress of the People’s Republic has witnessed rapid acceleration. It has risen to the highest ranks of scientific power in several emerging fields such as artificial intelligence, robotics, data analytics, synthetic biology, new materials and space sciences.

China has invested millions of dollars in its weather modification program. It has harnessed its powerful aircrafts and modified them to conduct weather change experiments. Reports say China plans to use weather modification techniques to divert water vapour (Project “Sky River”). Like its endeavours in all other fields of study, China is seriously and consistently working on the “art of mastering the weather”.

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A million lamps light up an ancient city

Of all the means of expression, photography is the only one that fixes forever the precise and transitory instant,” said Henri Cartier-Bresson in his 1999 book *The Mind’s Eye: Writings on Photography and Photographers*. Shutterbugs are a breed in themselves. Some may complain about photographs that have no people. The shutterbug answers – there are always two people: the photographer and the viewer.

The spectacular Dev Deepawali festival in Varanasi offers unforgettable memories to tourists of all kinds – and most of all the happy shutterbugs. The festival is also called Dev Diwali. It is usually celebrated in November on the full moon night of the Hindu month of *Kartik*, spread over November and December.

Imagine being in one of the oldest cities of the world decorated on a full moon night with millions of earthen lamps as the sun goes down. An ancient city that boasts of all modern comforts. There are about 600 hotels in Varanasi, of which about a 100 are five star and seven star hotels. On the night of Dev Deepawali, there are as many tourists as devotees on the 88 ghats (river fronts) of Varanasi, spread out over a seven-kilometer radius.

The festival is a major tourist attraction. The sight of a million floating and fixed lamps has been described by visitors and tourists as breathtaking. Every corner of Varanasi comes alive with bright colours and glowing lamps. Nearly a 100,000 pilgrims and devotees gather for the *aarti* (elaborate devotional ritual) at the Dashameshwar Ghat, and the riverfront aglitter with lamps. All buildings and houses are lit with earthen lamps. The *aarti* is performed by 21 young priests and 24 young women. The rituals involve chanting hymns, rhythmic drum beating, conch shell blowing with big lamps. To witness this celestial manifestation, boat rides (in boats of all sizes) along the riverfront are popular among tourists when all the ghats are lit with lamps and *aarti* is being performed.

Tourists from China can find great joy in experiencing this amazing, fantastic night, and the grandeur of the festival. To experience this magical time, one has to plan several months in advance so that one is able to get booking in the hotel of one’s choice.

Rajni Shaleen Chopra

Executive Editor
Rajni Shaleen Chopra
CONTENTS

4 India China Competitive Engagement – Beyond Chennai Connect
   Major Gen BK Sharma (retd)

8 The Rise of China and Shaping the Indian Response
   Lt Gen Kamal Davar (retd)

22 Lessons for the Tiger from the Dragon: An Economic Snapshot
   Dwitipriya Sanyal

28 Why producers of delicious Himachal apples are worried about the China produce
   Ashwani Sharma

36 Beijing reaches out to bridge differences: Co-Operation on Chinese terms?
   Air Marshal Harish Masand (retd)

42 Vital to develop institutional linkages between India and China
   Rajni Shaleen Chopra

46 Many areas where China, India can find common areas of growth, prosper together
   Ai Ping

48 Mamallapuram: A climax of Indian cultural effervescence
   S. Swaminathan

56 PM Modi scored high with attire, choice of city for second informal meeting with President Xi Jinping

Dr Pravesh Kumar Gupta

Second Informal Modi-Xi Summit: A Forward Movement in India and China Relations

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India China Competitive Engagement – Beyond Chennai Connect

It is heartening to see that the Wuhan spirit imbibed and promoted by Prime Minister Narendra Modi and President Xi Jinping has mitigated the negativity that emanated from the Pak-China rhetoric against India after the abrogation of Article 370 in Jammu and Kashmir.

The second informal summit on October 11–12 Oct at the UNESCO world heritage site of Mamallapuram has morphed to another catchy epithet – the ‘Chennai Connect’. The purpose of the informal summit, as described by China’s Ambassador to India Luo Zhaohui, was for the two leaders to have free exchange of views without fixed topics.

Both times, the build-up to the summits was anything but propitious. The Wuhan informal summit in April 2018 was preceded by the Doklam crisis. The Mamallapuram summit took place in the backdrop of China’s overt support to Pakistan on the Kashmir issue at the United Nations Security Council (UNSC) and the United Nations General Assembly (UNGA), also during Imran Khan’s state visit to Beijing and the ignominious remarks made by China’s ambassador to Pakistan on Kashmir.

About the same period, Indian and Chinese troops had briefly locked horns in eastern Ladakh. Beijing was miffed with India for conducting the tri-service military exercise in the northeastern region. Beijing was miffed with India for conducting the tri-service military exercise in the northeastern region. The top leadership of India and China deserve credit for overcoming the odds and going ahead with the Xi-Modi informal meet.

Regarding the summit, Prime Minister Modi said, “Our Chennai vision today has launched a new era of cooperation between our two countries”. President Xi Jinping reciprocated by saying that China wants peaceful and stable relations with India. The sides scrupulously avoided discussions on Kashmir and focused on positives. However, there was neither a joint declaration issued nor any Memorandum of Understanding signed. From the official statements issued and media reports gleaned, one can hence gauge major takeaways from the summit and also crystal gaze into future trajectory of bilateral relations.

Major gains from Mamallapuram summit

The first major takeaway from the summit is the imperative need of maintaining strategic dialogue at the highest political level, and to demonstrate to the bureaucracy to remain steadfast in keeping bilateral relations on an even keel. The two top leaders have been regularly interacting at various international events, notably at the SCO summit in Bishkek and G20 Summit in Osaka.

Both PM Modi and President Xi Jinping reiterated the need to mitigate the competitive component in bilateral relations, heed respective core interests, institute guidelines on confidence-building measures (CBMs) to maintain peace and tranquility at the border, focus on building strategic communication, practical cooperation and enhancing people to people contact.

The second issue discussed was to maintain peace and tranquility at the border under the framework of Border Defense and Cooperation Agreement signed in 2013.

The third element that came up for discussion was countering terrorism and violent extremism. The Indian foreign secretary in a statement said that both
countries will work on radicalization and terrorism.

The fourth issue was how to boost bilateral trade that has grown to impressive $96 US, albeit with a skewed balance of trade ($66 billion in China’s favour). It was decided to create a High level Economic and Trade Dialogue Mechanism headed by India’s finance minister and China’s vice premier.

The fifth element was how China should create conditions for India joining the Regional Comprehensive Economic Cooperation (RCEP).

The sixth issue was about India to permit the entry of Huawei 5-G technology in the Indian digital technology market. Huawei – China’s largest telecom equipment manufacturer, is on a US blacklist. India too has expressed certain security concerns regarding Huawei, that need to be looked into. Getting ahead in 5-G will mean getting a head-start into the Internet of Things. This is globally recognized as the growth-enhancing eco system of the near future.

The seventh issue was the need to create an enabling environment for blending the idea of ‘Mystique China’ with ‘Incredible India’, invigorate people to people contact and boosting tourism. The selection of Mamallapuram, the 1400-year-old temple complex as the venue was well- thought out. It brought into focus the historical Silk route linkages between India and China, and also show-cased India’s rich civilizational past.

**From Wuhan to Chennai – the challenges**

The Wuhan spirit and the Chennai Connect are certainly feel good factors in the vexed Sino-Indian relations. Post the Wuhan summit, the two countries maintained a positive trajectory till the Pakistan factor raised its ugly head. This invariably leaves China with a Hobson’s choice. China has been supporting a wailing Pakistan, thus tripping over India’s redline. China does not respect either India’s position as a regional power in Asia or as a peer civilization. Hence one can discern China’s unwillingness to de-hyphenate India from Pakistan in practice. China has also refused to support India’s permanent membership of the UN Security Council (UNSC) or in the Nuclear Suppliers Group (NSG).

In contrast, India has shown remarkable restrain and maturity by not perpetuating China’s Tibet, Xinjiang, Hong Kong and Taiwan dilemma. India has heeded China’s sensitivities and consciously avoids in interfering in China’s internal affairs. In regard to creating traction of Incredible India for Chinese tourists, India will have to work with Chinese travel agents, the various airlines which fly between our countries, the new online agencies as well as the social media methodology and facilities to promote India as a tourism destination. India has a potential to attract about 1.5 million Chinese tourists every year, and send almost an equal number to China.

**Competitive engagement to continue**

Even as the India-China engagement deepens, the race between the two nations shall continue. The geopolitical reality remains that China and India will compete for domination of resources, location and influence. Structural factors in the relationship suggest that the Sino-Indian relation will essentially be that of competitive engagement.
compete for domination of resources, location and influence. Structural factors in the relationship suggest that the Sino-Indian relation will essentially be that of competitive engagement. The two countries cooperated on international trade and climate change at BRICS (Brazil, Russia, India, China and South Africa); RIC (the Russia-India-China trilateral grouping), SCO (Shanghai Cooperation Organization) and AIIB (the Chinese-led Asian Infrastructure Investment Bank). There is a need to consolidate on these macro-level global convergences.

Likewise, removing irritants such India’s concern over creation of Free Trade Area and consequent flooding of Chinese goods in Indian markets will ease the way for India joining the Regional Comprehensive Economic Partnership (RCEP). China is unhappy with India not supporting the Belt and Road Initiative (BRI). India’s principal concern on the issue is that BRI’s flagship project, the China-Pakistan Economic Corridor (CPEC) runs through the Indian territory. Besides, China’s promotion of China-Myanmar Economic Corridor, China-Nepal Economic Corridor and the Maritime Silk route passing through the Indian Ocean region are perceived to be unilateral initiatives designed to alter the strategic balance in India’s traditional sphere of influence.

China remains skeptical about the US-India strategic partnership, with particular reference to Indo-Pacific Strategy, QUAD (Quadrilateral Security Dialogue, the strategic dialogue between the United States, Japan, Australia and India), India’s Act East Policy, India-US military cooperation and the signing of strategic agreements like Logistics Exchange Memorandum of Agreement, Communication Compatibility and Security Agreement and Basic Exchange Cooperation Agreement. A strategic dialogue is necessary to address these perceptions.

The biggest bugbear in the bilateral relations is China’s overt support to Pakistan, particularly in the military domain and on the Kashmir issue. China has been singularly unmindful of India’s

India has shown remarkable restrain and maturity by not perpetuating China’s Tibet, Xinjiang, Hong Kong and Taiwan dilemma. India has heeded China’s sensitivities and consciously avoids interfering in China’s internal affairs. With regard to creating traction of Incredible India for Chinese tourists, India has a potential to attract about 1.5 million Chinese tourists every year, and send almost an equal number to China.
concerns and sensitivities vis-à-vis Pakistan. Beijing is well within its rights to develop the bilateral relationship with Islamabad but it should not be at the cost of India.

The thorns that remain
It is hoped in the next round of boundary talks, the two sides develop institutionalized mechanisms to either avoid or jointly patrol the so-called disputed areas along the Line of Actual Control and pave the way for resolution of the boundary issue. Beijing has also objected to the reconfiguration of Ladakh as a Union territory.

India has been explicit on its stand on the boundary issue. It has also been consistently emphatic that restructuring of J&K is an internal administrative issue. India remains wary of growing China’s massive military modernization and infrastructure development in Tibet. It must be recognized that the propensity to change the status quo through creeping assertiveness or military brinkmanship will be counterproductive. China has adopted a somewhat ambivalent and selective approach to dealing with India-centric Jihadi groups husbanded by Pakistan. China must discourage Pakistan from using cross-border terrorism as a state policy. Both countries have high stakes in building peace in Afghanistan. The two countries have recently cooperated in training Afghan diplomats. Scope exists for both countries to undertake joint civic action projects in Afghanistan. The issue of succession of the Dalai Lama is a potential sticking point. China looks at India with an eye of suspicion on the role of Dalai Lama and the Central Tibet Administration functioning from Dharmsala. India’s adherence to ‘One China Policy’ and assurances that New Delhi does not meddle with Tibetan religious affairs have not allayed Chinese concerns. Likewise, India’s apprehensions about China diverting waters of Brahmaputra need to be allayed.

China is a de-facto super power with a GDP of $ 14 trillion, foreign exchange reserve over $ 3 trillion and a formidable military state. At the same time, Beijing can ill-afford to overlook India’s growing stature, confidence in protecting its core interests and its role in refashioning international order. It is imperative for the two Asian giants to respect each other’s core interests and find a new *modus vivendi* in steering the destiny of their respective nations and Asia for a better future.

Prime Modi sagaciously said, “The two countries have agreed to prudently manage our differences and not allow them to become disputes”. Xi statement echoed the sentiment: “We have deeper strategic communication, more effective practical cooperation”. The informal summit was a good opportunity for the top leadership to charter a broad strategic direction of bilateral relations. The long-term structural problems between the two nations can only be resolved by following a comprehensive roadmap and pursuing specific agenda-driven dialogue in a time-bound manner.

The informal summit was a good opportunity for the top leadership to charter a broad strategic direction of bilateral relations. The long-term structural problems between the two nations can only be resolved by following a comprehensive roadmap and pursuing specific agenda-driven dialogue in a time-bound manner. Hope the Wuhan spirit and the Chennai connect usher a new era of making ChinIndia a new model of competitive engagement.
The Rise of China and Shaping the Indian Response
Nalin Surie

Mr Nalin Surie, former Indian Ambassador to China, spoke on the theme, ‘China’s Global and Regional Ambitions’. He said that China’s regional and global ambitions are unbridled in the modern world, which is increasingly complex and inter-dependent. The Communist Party of China, he said, had taken control over foreign policy in a manner it had not done earlier. The party, he said, was now much more in tune with implementing Chinese foreign policy, and its efforts were part of a continuum.

Mr Surie said that there has been a consistent pattern in the evolution of Chinese foreign policy. The Belt and Road Initiative (BRI) was the new name given to policies given and implemented over last 40 years.

Mr Surie said that China has made no effort to hide its global ambitions. At one time, it suited US to have China as a member of UN Security Council. Ambassador Surie said that China has overtaken Japan on several fronts. It is now the second biggest contributor to the UN, and exercises a much-bigger control in the various UN systems.

There was a need, he said, to consistently study China’s stated ambitions, its motivations, and the means employed to fulfill motivations. Ambassador Surie said that all these factors must be seen in the perspective of Chinese foreign policy.

Ambassador Surie said this implied in effect that the Beijing consensus had succeeded more than the Washington consensus. Ambassador Surie said that China’s approach to foreign policy is much more muscular. China has objectives for all conflict zones, and special envoys for each of them. The underlying desire in this whole process, was that China was not trying to catch up with the West but to overtake the West.

Ambassador Surie said that seen in this perspective, it was clear that China’s ambition and the objectives had not changed. The difference was in the means. China now has the means to achieve its objectives.
Jayadev Ranadeva

Mr Jayadev Ranadeva, former Special Secretary R&AW (Research and Analysis Wing) said that problematic in China’s efforts to implement the strategy of ‘peripheral diplomacy’ will be its insistence on achieving its sovereignty and territorial claims and desire to project power. He said that Beijing’s unrelenting insistence on its maritime territorial claims in the South China Sea and East Sea, together with its assertive posture, underscores its ambition for dominance over the entire region.

Mr Ranadeva highlighted that Beijing’s handling of its disputes with rival claimants has varied, but the end objective of securing control over the territories preferably without conflict, is unchanged. India-China relations, he said are a key component of China’s new strategy of ‘Peripheral Diplomacy’, which has obvious implications for India and Japan. In 2013, the new policy signaled that Beijing would intensify efforts for economic engagement with India. Over the years, this has proved true. Beijing consistently focused on the development of economic ties while setting aside resolution of the contentious border dispute till what it deems a more opportune time. Repeated assertions that China will not barter away its “core national interests” substantiate this, said Mr Ranade.

Vice Admiral Pradeep Chauhan (retd)

Vice Admiral Pradeep Chauhan (retd), President National Maritime Foundation, said India’s pursuit of its geo-economic objectives largely defines its strategic geography. This strategic geography is what India conceptualizes in spatial terms as the ‘Indo-Pacific’. He said that Prime Minister Modi has unequivocally described the Indo-Pacific as ranging “from the shores of the Africa to the shores of the Americas”. He said the we are today witnessing the unique geopolitical moment when several Asian powers – India, China, Japan, South Korea, Australia, the ten constituent states of the ASEAN – are all rising simultaneously. This provides added significance to India’s ‘Act East’ policy.

Vice Admiral Pradeep Chauhan (retd) said that China’s rise to the status of a global power is not as peaceful as was once hoped. China’s resource hungry economy needs resources of energy and minerals that are sourced either from the countries of the Indian Ocean region, or from countries whose sea routes traverse the Indian Ocean before they can reach China. As a result, the Indian Ocean has been catapulted to the centre of geo-political machinations by regional and extra-regional powers.
Lt Gen SL Narasimhan (retd)

Lt Gen SL Narasimhan (retd), Member of the National Security Advisory Board, spoke on ‘China and Pakistan Axis’. He said that China’s officially stated position is that it is opposed to all kinds of terrorism. But China has different connotations of terrorism when it comes to them and when it comes to others. This trend is likely to continue.

Lt Gen SL Narasimhan (retd) said that on several occasions, it has seemed that China felt that it cannot let Pakistan down because of the relationship it has with the country, and the kind of investments that China has made in Pakistan. This, he said, is one of the reasons as to why the stance of supporting Pakistan has continued. China may not want to let Pakistan down basically to ensure that their bilateral relationship remains on an even keel, and they can take their projections and other plans forward. Holding Pakistan’s hand has been China’s main concern, he said.

Vice Air Marshal Kapil Kak (retd)

Vice Air Marshal Kapil Kak (retd) said it was a situation of ‘Coercion Plus Plus’ for India where China is concerned. He said that India-China relations have been relatively on an even keel after the Wuhan summit, but this cannot make India complacent in any way where the Dragon is concerned.

Maj Gen Ashok Mehta (retd)

Maj Gen Ashok Mehta (retd) spoke on the ‘New Northern Front’, and India’s relationship with Nepal. He said that India’s relationship with Nepal had hit a rough point in the last few years. He said that Nepal is geo-strategically vital in India’s security calculus. But India’s marginalization in Nepal, he said, was largely self-inflicted, and was a result of clumsy diplomacy.

Tibet shares a long border along the northern frontier of Nepal. Maj Gen Mehta (retd) said that security cooperation with Nepal was significant for China in order to keep a close eye on any movement from Tibet into Nepal. He said that China has strengthened its presence in Nepal politically and economically. India must pay attention to the deepening relationship between Nepal and China.

China’s dream, said Maj Gen Mehta (retd), is to be the sole leader of the Asian century. He said the dream is attainable for China. One of the ways in which China will attain this dream is by keeping India anchored to the region using Pakistan. Maj Gen Mehta (retd) added that assisted by Kathmandu, Beijing has blocked New Delhi’s traditional strategic space in Nepal and will continue to do so. But, not all is lost for India. He said that India can counter China’s strategic gains in Nepal by winning over confidence of its people.
Air Marshal Harish Masand (retd) spoke on ‘Countering China and its Air Power’. He said that considering the Chinese economy fielding the modernisation of the PLA, particularly in the PLAAF (People’s Liberation Army Air Force) and PLAN (People’s Liberation Navy), it is highly unlikely that we would be able to match the capability and numbers that China can field against us for a long time. Also, while the obvious answer lies in strengthening our air forces to the 60 combat squadron level, considering the economic resources likely to be available, even the sanctioned strength of 42 squadrons is unlikely to be achieved even in the coming decade. Therefore, to maintain the requisite deterrence, Air Marshal Harish Masand (retd) suggested some internal innovative measures apart from examining development of asymmetric capabilities. He said that China’s real objective is to counter to US. India is just a by-product for China, an entity on the way.

China sees India as its main rival: globally, regionally, economically, militarily

Lt Gen Kamal Davar (retd)

There are a million sayings about China, but I would like to quote Henry Kissinger who in his book titled "On China" states very aptly that "China’s splendid isolation nurtured a particular Chinese self-perception. Chinese elites grew accustomed to the notion that China was unique – not just a great civilization among others, but civilization itself.” It is good to have self-belief. But China, throughout its past, has also displayed a penchant for distorting history and over-vaulting ambitions! And today aren’t they the hegemons of the new world order!

You all are conversant with what Napoleon had prophetically expressed nearly 200 years back: “China is a sleeping giant. Let her sleep, for when she wakes she will move the world.”

Unquestionably, China has gone far beyond this axiom. It has made the world acknowledge that since the past two decades or so, in particular, China is one of the world’s fastest growing economies, with foreign reserves at over $ 3.4 trillion. With the second-most powerful armed forces in the world, China is fast catching up with the financially weary and militarily fatigued super-power, the US. China’s spectacular rise thus translates into an ever growing global clout propelling it to unbridled geo-political and military ambitions not only in Asia but world-wide.

China’s burgeoning financial and consequently its military might continues to be on a rapid upswing synergized by its ancient
civilizational wisdom of realpolitik, embellished by a clear-cut strategic vision and nationalist ambitions which are distinctly unparalleled. That China will be a super power by 2030, if not earlier, seems to be an accepted truth. Not acknowledging it will be ignoring a stark reality. If the 21st century has to be an Asian century, as repeatedly proclaimed by many geopolitical luminaries, China leads the way well ahead of the other players on the scene including India, Japan, South Korea, Vietnam, Malaysia etc.

China is usually bracketed with India and Japan as the lead players in emerging Asia. However, India merely plods along along, never having risen to its true potential yet, owing to its many contradictions. Noted US scholar George Tanham had pithily pointed out about our lack of a strategic culture. Nevertheless, there is a feeling that China sees India as its main rival – globally, regionally, economically and militarily. This makes the growing asymmetric chasm between the two neighbours and Asian giants a cause of worry in the foreseeable future for India. By all yardsticks, India is a major ascendant power. How it will be able to cope up to the rise of China is perhaps going to be the most enduring challenge in the coming years.

I hope that like in the 50s and 60s of the last century, we are not understating the multifarious and multi-dimensional threats emerging from our neighbour, our natural competitor China. It is in order that we must study the myriad threats and challenges from China. The contemporary strategic discourse on China is, by and large focused on three major issues, speaking from a global perspective. The first is the ongoing trade wars between the US and China. We too have a major trade deficit with China. What are we doing about it?

Second are the disputes between China vs the Philippines in the South China Sea and the tensions between China and US over Taiwan. We must also take note of China’s problems with Japan (over the Senkaku island in particular) and other Indian Ocean powers as China endeavours to throw to the winds the so-called “rules based maritime order.” China is doing its best to economically subjugate the Indian Ocean powers.

The third one is the Belt and Road Initiative (BRI), which is a collective term for the Silk Road Economic Belt on land and the 21st Century Maritime Silk Road on the sea. China’s forays in the Indo-Pacific and the Belt and Road Initiative have immense security implications for India apart from other countries too. We need to factor these seriously in our security preparedness.

Of course the recent major disturbances in Hong Kong have shaken the rigid Beijing establishment. Let us wait and watch how the Hong Kong mass protests shape up.

It is amazing to note that Chinese atrocities on its Uighur Muslims, its forcible conversions and a clamp down on the practice of Islamic tenets in its Xinjiang province has not moved the world – what to talk of even the Islamic Ummah. This indicates that the pursuit of national interests overrides all considerations including humanity.

We must also take into account the lessons of Doklam for India, our continuing border problems with China and also China’s continued support to Pakistan at various international forums. How serious is the China-Pak collusion militarily? With China’s self-belief in the G-2 – that USA and China will dominate a bipolar world order – where does India figure? Can the Dragon and the Elephant tango in unison and harmony?
Second Informal Modi-Xi Summit

A Forward Movement in India and China Relations
In August 2019, the Indian government proposed a bill to revoke Article 370 and Article 35A of the Indian Constitution, which gave special status to the state of Jammu & Kashmir (J&K). The bill also proposed to reorganize Ladakh and J&K as two separate Union Territories – Ladakh without legislative assembly, Jammu and Kashmir with legislative assembly. The bill was passed in the Parliament with two-third majority and also got Presidential approval. The government’s rationale behind the abolition of special status for the state of Jammu and Kashmir and reorganization of the state into two union territories was to ensure the equal and required development of the Jammu, Kashmir, and Ladakh as well.

At the behest of Pakistan, China formally asked for ‘closed-door consultations’ in the UN Security Council (UNSC) to discuss Kashmir. These closed-door consultations on the issue at UNSC bore adverse outcomes for both Pakistan and China.

Chinese Foreign Minister Wang Yi raised the Kashmir issue in his address at the United Nations General Assembly (UNGA). He said that “dispute” should be peacefully and adequately addressed in accordance with the UN Charter, UN Security Council resolutions and the bilateral agreement, and no actions should be taken that would unilaterally change the “status quo of Kashmir”. In response to the Chinese statements, India reiterated that Jammu and Kashmir is an integral part of India, and the decisions taken regarding the state are an internal matter. India garnered the support of many Islamic and non-Islamic nations on this issue.

Against this backdrop, the second informal summit between Prime Minister Narendra Modi and Chinese President Xi Jinping in October 2019 is considered to be significant with regard to recent developments in bilateral relations between the two nations. Following the success of first informal summit held at Wuhan, China, in April 2018, this second informal summit has also been managed in the same framework.

The place chosen for the summit was Mamallapuram or Mahabalipuram, a port town in Tamil Nadu. Mamallapuram is a fine example of India’s magnificent ancient past. This city was developed by the mighty Pallava dynasty and has enjoyed trade and cultural relations with ancient China. Mamallapuram is about 50 kilometers from Tamil Nadu’s capital Chennai. Therefore PM Modi termed this summit as the ‘Chennai Connect.’

China has been enormously impacted by the religious and cultural aspects of the Indian civilization for several centuries. Buddhism travelled from India to China. It greatly influenced the socio-
economic and cultural characteristics of China. The Indian impact on Chinese art and architecture cannot be ignored. Therefore, hosting the second India-China informal summit at a UNESCO world heritage site had explicitly showcased the historical connectivity between India and China.

Salient features of the 2nd India-China Informal Summit

This informal summit between the leaders of the two countries set precedence for redefining India-China relations. The two leaders had comprehensive exchange of views in a cordial atmosphere on important long-term and strategic issues of global and regional importance.

President Xi Jinping was overwhelmed by the warmth and receptiveness that he received from his Indian counterpart. The two leaders also acknowledged the need for India-China cooperation in maintaining ‘a peaceful, secure and prosperous world in which all countries can pursue their development within a rules-based international order’.

Prime Minister Narendra Modi and President Xi Jinping also underscored the importance of enhanced cooperation in fighting climate change, achieving Sustainable Development Goals (SDGs), and curbing terrorism and extremism. Prime Minister Narendra Modi, in his inaugural statement, underlined that India and China are determined to manage their differences in a way that it would not turn into disputes. The boundary question was also part of discussion between the two leaders. Prime Minister Modi and President Jinping applauded the efforts of the Special Representatives and urged them to continue their efforts to accomplish a mutually-agreed framework for a reasonable, equitable, and mutually acceptable settlement. The leaders agreed that the framework should be based on ‘Political Parameters and Guiding Principles’ that were mutually agreed upon by the two countries in 2005.

In order to expand economic cooperation and secure closer development and partnership, leaders of both countries have decided to establish a High-Level Economic and Trade Dialogue Mechanism for underscoring the potential of enhanced trade and commercial relations. This mechanism shall also address the issue of trade deficit between the two countries more competently.

PM Modi and President Xi considered “these informal summits as a positive move, which would provide a valuable opportunity to deepen dialogue and to promote mutual understanding at the Leaders’ level in line with the ‘Wuhan Spirit’ and the ‘Chennai Connect’”. Both leaders agreed to continue this exercise in the future. President Xi invited PM Modi to visit China for the third informal summit, to which PM Modi has agreed.
This informal dialogue mechanism can help draw India and China to move forward on various issues of mutual interest such as the boundary issue, if both countries show determination towards seeking a consensus. However, it all depends on strong political will from both sides. Any deficiency of political will shall curtail the heightened significance of these informal talks.

Outcome of ‘Chennai Connect’
Significant developments have taken place since the second informal talks between the leaders of India and China in Tamil Nadu. After the successful culmination of the summit, China seems to be striving to promote greater investment into the southern state of Tamil Nadu. China expressed its interest in starting a direct flight from Chennai to Beijing during the summit and is also keen on promoting the ancient Pallava dynasty-era architectural site at Mamallapuram to increase the number of Chinese tourists visiting India.

Another positive impact of the ‘Chennai Connect’ is the amount of goodwill generated between the two countries. This will not only have positive impact on the political elites but also on the people of the both countries. Earlier, disagreement over bilateral issues culminated in trust deficit amongst the citizens of both countries. Therefore, informal summits like ‘Wuhan Spirit’ and ‘Chennai Connect’ have the potential to bridge the trust deficit and to commemorate the age old relations between the two countries.

Potential to redefine India-China relations
The informal summits have generated a favorable environment for a new kind of opportunity for both India and China to discuss the tenacities of their disputes and differences. The second round of informal talks has highlighted the imbalance of trade between the two countries, and both leaders have also pondered on how to increase bilateral trade. Similarly, this informal dialogue mechanism can help both India and China to move forward on various issues of mutual interests such as the boundary issue, if both countries show determination towards seeking a consensus.

However, it all depends on strong political will from both sides. Any deficiency of political will shall curtail the heightened significance of these informal talks. At a point where China is facing challenges at both internal and external level, it needs to underline the cooperation with India not only in economic and trade linkages but also in the matter of geopolitical importance globally. As noted, both leaders have not allowed their recent differences to cloud these informal talks. Therefore, the Wuhan Spirit and the Chennai Connect have augmented the prospects of redefining India-China relations.
Chinese ascendency in Central Asia

Dr Pravesh Kumar Gupta

While exploring the multifaceted security issues of the Central Asian region, one can understand the Chinese apprehension with regard to the security threats arising in and around this region. China’s northwestern province of Xinjiang shares borders with three of the Central Asian republics – Kazakhstan, Kyrgyzstan and Tajikistan. This region has been vulnerable to external threats due to the stringent measures taken by the Chinese for Uyghurs, an ethnic Turkic-speaking group inhabiting primarily in Xinjiang and having ethno-cultural linkages with central Asian region.

Since the collapse of Soviet Union, China has been adamant on establishing cordial relations with central Asia. The Shanghai Five Mechanism was created in 1996 by the heads of states of China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan. It aimed to solve the border issues with Central Asia and Russia, and was intended to fulfill the Chinese dream of reconnecting with the region keeping in mind its security and economic imperatives. This served as the core value for Shanghai Cooperation Organization (SCO), which was formed in 2001, and gave leverage to Chinese economic and security aspirations.

Regular bilateral military exercises

Through the SCO, China launched its fight against ‘three evil forces’: terrorism, separatism and extremism. It has conducted joint anti-terrorist military exercises between Kyrgyz and Chinese armed forces in 2002. With the...
Tajik forces, the military exercise took place in 2006. Similar exercises have been organized with the participation of Kazakhstan in 2006, and with Tajikistan and Kyrgyzstan in 2011. In 2019, China held joint military drills with Kyrgyzstan and Uzbek forces. Through the SCO forum too, China has held military drills with member countries.

There have been a number of bilateral visits of military delegations between China and Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. Turkmenistan remains inactive due to its closed internal political and military affairs and it is also not a part of SCO. In 2018, Vice Chairman of the Central Military Commission Xu Qiliang visited Kazakhstan, Tajikistan and Kyrgyzstan to implement agreements reached between the Central Asian leaders and Chinese President Xi Jinping. Several other military delegations from the two regions have held constant interactions. China’s foremost interest here is to secure its frontiers and strengthen its geopolitical upper hand in this resource rich region.

China’s relation with each of the Central Asian Republic is different. It is driven by the internal political and socio-economic imperatives of these nations. Based on its economic and political involvement in each of these countries, the general perception about China’s influence in the region also varies. Kazakhstan is the largest trade and economic partner of China in the region. Since 1996, China has highlighted its ambition of importing oil and gas from Kazakhstan, Uzbekistan and Turkmenistan. China-Central Asia pipeline between these stakeholders is operational. It is the vital channel for almost 70 per cent of Turkmenistan’s gas and around 40 percent of Kazakh oil. Uzbekistan also exports gas to China.

**Importance of Kyrgyzstan and Tajikistan for China**

Kyrgyzstan and Tajikistan do not have rich mineral resources. Despite this, they are regarded as highly important for China’s foreign policy. This is because both these nations provide suitable markets for Chinese investments. They are also very important for China from the security point of view.

Both Kyrgyzstan and Tajikistan have low level economies. Hence they are more vulnerable to terrorist activities, which can have a direct impact on Xinjiang. Tajikistan shares a long and porous border with Afghanistan. Therefore, it has a crucial role to play in security infrastructure of Chinese foreign policy.

Turkmenistan is a closed economy and has adopted political isolation since its independence in 1991. China is its largest trading partner, but political
and local perception about China is not much debated in this country. It has been observed recently that Turkmenistan is pushing for Trans Caspian Gas Pipeline in order to export its gas to Europe as well, because it wants to reduce its dependency on China. Uzbekistan adopted economic reforms after the death of its founder president Islam Karimov, and this went well with Chinese ambitions. Uzbekistan looked towards China for greater economic investment in the country, and it has been emerging as a reliable partner of China in the region.

During the analysis of Chinese influence in Central Asia, it was found that in Turkmenistan and Uzbekistan, there is no question of having a serious debate about the increased influence of China in the policy issues of these nations related to foreign or domestic spheres.

The socio-political life in the other Central Asian states permits suitable space for differences of opinion on issues related to national security. Discussion is possible in Kazakhstan, Tajikistan and Kyrgyzstan over the domestic socio-economic condition influenced by external pressures, especially Chinese influence. In Kazakhstan and Kyrgyzstan, there has been a consistency in anti-Chinese protests in recent times by the local populations. There are two primary reasons for these anti-Chinese sentiments emerging amongst the local populations. Firstly, for the ongoing Belt and Road Initiative, Chinese firms bring Chinese workers for the BRI projects. This has created a sense of insecurity within the local populations, and this has led to vehement protests.

Secondly, the stringent measures adopted by the Chinese towards its ethnic minority of Uyghurs living in Xinjiang have also created serious anti-Chinese sentiment in both Kazakhstan and Kyrgyzstan. Uyghurs are regarded as ethnic Kazaks and Kyrgyz, living in Xinjiang.

Tajikistan is dependent heavily on China for loans and grants. It is estimated that Tajikistan and Kyrgyzstan are the highest Chinese debt trapped countries of Central Asia. Overall in Central Asia, there are two types of perceptions formed with regard to Chinese influence. Political leaders and elites have a slightly pro-Chinese inclination, while the local population is mostly Sinophile.

Debate over China’s influence in Central Asian nations

China’s influence in Central Asian countries has raised several controversies, which have ranged from issues of national integrity to economic questions. Sinophil (Pro-China) and Sinophile (Anti-China) groups have formed in Central Asian nations rapidly. It shall be interesting to watch how China continues to intensify its presence in these nations. This shall also depend on the approaches and attitudes of the Central Asian states and their national and foreign policy interests.

The ruling families of Central Asian leadership, whose members are often directly impacted by trade with China, play a key role in forming a positive relationship with each of the Central Asian Republic is different. It is driven by the internal political and socio-economic imperatives of these nations. Based on its economic and political involvement in each of these countries, the general perception about China’s influence in the region also varies.

China President Xi Jinping and Russia President Vladimir Putin at a meeting of Shanghai Cooperation Organization
perception about Chinese activities. In Tajikistan, Hassan Saidullaev is one of the sons-in-law of President Emomali Rakhmon. Saidullaev is also the president of the holding company ‘Ismaili Somoni XXI Century’. He has been personally involved in instituting warm relations between Tajikistan and Beijing.

In Uzbekistan, the eldest daughter of the former President Islam Karimov, Gulnara Karimova, before being exposed of illegal financial activities during her father's regime was also active in the sale of metallic resources to China. In its bilateral relations with the Central Asian nations, China has been directly involved with the heads of their governments. China required no mediators to put forth its projects for examination by the decision-making bodies. It was the self-interest of some individuals belonged to the ruling elites of Central Asian states that made them seek close relations with it.

The concerns arising from the dependence of these Central Asian states on China are primarily debt and the anti-China sentiment amongst the local populations. The Kazakhstan government recently announced that up to 20,000 new jobs shall be created as part of the implementation of joint projects with China in the nation. Kazakhstan announced that 95% of these jobs will be occupied by Kazakhstani.

Kyrgyzstan also has some long-pending Chinese projects. Tajikistan has asked China to provide grants instead of loans to balance its Chinese debt. Russia is a close ally of Central Asia. It has faced serious financial constraints. Therefore its trade and economic involvement in central Asia is secondary to China. Nevertheless, in the strategic, security and cultural domain, Russia still plays a crucial role in the Central Asian countries, and has the upper hand in comparison to China.

Russia has supported the Belt and Road Initiative due to the increased Chinese influence in the region. Western countries have also agreed to engage with China in Central Asia, mainly in the infrastructure and transportation sectors. Europe is a key player benefiting from Chinese BRI investments in Central Asia. The Russia-led Eurasian Economic Union (EEU) has also signed agreements with the Belt and Road Initiative. Therefore Russia-China cooperation in Central Asia is widely visible. In coming years, if China does not overpower the deterrence and the undercurrents of Sinophobia in the local populations, then there is a greater role for Russia to play in the region to re-emerge as the main ally.

China has invested in energy, infrastructure, transportation, railways and roads, communications etc. in the Central Asian nations. Huawei, the Chinese multi-national technology giant, recently signed a huge deal with Uzbekistan for the digitalization of the country. This indicates that China is leaving no stone unturned to get a strong foothold in every sector of the central Asian states, mainly through its BRI initiative. There is also a clear China-Russia cooperation in Central Asia, which does not seem to be fading very soon.

Russia has supported the Belt and Road Initiative due to the increased Chinese influence in the region. The Russia-led Eurasian Economic Union (EEU) has also signed agreements with the Belt and Road Initiative. Therefore Russia-China cooperation in Central Asia is widely visible. In coming years, if China does not overpower the deterrence and the undercurrents of Sinophobia in the local populations, then there is a greater role for Russia to play in the region to re-emerge as the main ally.
Lessons for the Tiger from the Dragon: An Economic Snapshot
Much has been said about India’s sluggish growth. The first quarter of 2019-20 is expected to dip further to 5.6% from 5.8% in the fourth quarter of 2018-19. Among other factors, India’s dampering growth rate is attributed to declining demand and the low savings rate of a predominantly young workforce. There are also various exogenous factors such as the intensifying US-China trade war, which has affected world trade and has impacted Indian exports, high rates of GST and liquidity crisis in NBFCs. Moreover, policy makers have neglected job creation, which functions as a wealth redistribution mechanism to boost incomes and thereby demand. The Economic Survey 2018-19 highlights China’s “high savings and high investment” approach that reached 45% of its GDP despite relatively moderate growth in 2017 to underscore the importance of adopting similar approaches in Indian policy for a sustained high growth. What lessons can India take from the Chinese growth story?

The drivers of economic expansion
The pivotal difference between India and China’s economic expansions are driven by China’s focus on its vast and diverse manufacturing sector, particularly the contributions of the Medium Small and Micro Enterprises (MSME). India’s economic expansion is fuelled by its exponential growth in services, especially in the IT sector. The question remains whether India can achieve a sustained rate of high growth by surpassing industrial growth and riding on an economy fuelled by growth in services alone.

The Clark-Fisher hypothesis states that economic development eventually leads to a growth in the service sector employing the majority of the labour
force. Going by this hypothesis, there are two essential reasons for the emergence of the service sector. The first being that with rising income, the demand for services increases and more employment and national output are allocated to service production. As a result, there is generally a high income elasticity of demand for services, especially leisure, tourism and financial services.

Secondly, productivity in the service sector is lower than that of the manufacturing sector because it is harder to apply new technology to many services. This means that over time, prices of services rise relative to primary and secondary goods. The effect of high income elasticity of demand and low productivity is that an increasing proportion of national income and consumption is allocated to the service sector.

India faces the challenges of structural constraints, an under-developed manufacturing sector that is often strapped for funds, technology, skills training and innovation. As a result, it is unable to bolster incomes and demand and pave the path for labour mobility and demand for the service sector. The Clark-Fisher model proposes that the productivity growth in the service sector would tend to be much slower than for the manufacturing sector. It also argues that the service sector itself would need to go through an industrialisation process if growth rates were to be maintained.

China’s strength has been focus on industrial output, exports

China’s focus on industrial output and exports conforms with the Clark-Fisher theory. A close look at China’s phenomenal growth reveals the prominence of the MSME sector. In China, the MSMEs account for over 90% of all market entities, over 80% of nationwide employment, more than 70% of patents, over 60% of GDP and more than 50% of tax revenues. They serve as a hub for innovation, growth and employment and are a major driver for China’s national GDP.
The Indian MSME sector similarly serves as the backbone of the national economic structure with approximately 63.4 million units contributing about 6.11% of the manufacturing GDP. Approximately 24.63% of the GDP comes from service activities, 33.4% comes from India’s manufacturing output and 45% comes from the overall exports from India. They have been a bulwark for the Indian economy, providing it resilience from global economic shocks and adversities while providing employment to around 120 million people.

About 20% of the MSMEs are based in rural areas, indicating a significant employment generation in the rural workforce. The MSME in India also absorb casual labourers from the agricultural sector who migrate to urban centers looking for seasonal work. About 97% of MSMEs operate in the informal sector, and their share of informal sector in gross output of MSMEs is about 34%. They absorb both unskilled and low-medium skilled labour. India stands to gain from significant impetus to the MSME sector in both rural and urban areas. This shall help provide employment to large sections of the workforce who lack specialized skills training, bolster income and thereby revive demand.

**Challenges faced by the Indian MSME sector**

Currently, the Indian MSME sector has been facing the brunt of the economic downturn. Their challenges are aplenty. These include a bad loan problem, limited capital, technology and skilled labor. As a result, India’s MSME sector faces severe constraints on modernization and expansion. A large portion of MSMEs are export-oriented. Their areas of operation include the production of carpets, textile, leather, gems and jewellery, handlooms and handicrafts items. These areas of work are highly labour intensive and depend heavily on cash for working capital requirements and payment towards contractual labourers.

The rolling effects of demonetization and introduction of a flawed GST regime have crashed heavily on the sector, thereby affecting India’s exports. This double-edged sword has led to distress and defaults on bank loans. Many MSME units have suffered severe hardships, including shutdowns and employee layoffs. The government’s efforts in reviving the sector by deploying a slew of reforms like regulating e-commerce giants like Flipkart and Amazon, setting up of an export promotion cell within the MSME ministry, and the RBI announcement of a one-time restructuring for existing stressed MSME loans below ₹25 crore are not only short sighted but lack concrete strategy.

**India’s economic expansion is fuelled by its exponential growth in services, especially in the IT sector. The question remains whether India can achieve a sustained rate of high growth by surpassing industrial growth and riding on an economy fuelled by growth in services alone**

In contrast, China realizes the need for significant impetus to the MSME sector in both rural and urban areas. This shall help provide employment to large sections of the workforce who lack specialized skills training, bolster income and thereby revive demand.

**China focus on MSME has yielded handsome dividends**

In contrast, China realizes the need
THRUST SECTOR SKILL DEVELOPMENT

to foster its growth by riding on the expansion and strengthening of its MSME sector as it contributes to increasing employment, improving people’s livelihood and promoting entrepreneurship and innovation. The Chinese MSME sector is also plagued by China’s slowing economic growth, weakening domestic demand, the U.S. trade war and credit problems.

But the inherent strengths that come from the state thrust on the MSME sector has sustained the sector. In addition to financing reforms, broadening market access and regulatory reforms, China focuses on promoting entrepreneurship and developing the MSME sector as a hub for innovation.

Since large enterprises usually dominate market shares and hold a competitive position in the market, they have little desire for innovation to promote development. On the contrary, MSMEs tend to be far more innovative to gain unique competitiveness despite their small scale and relatively disadvantaged position. Realizing the importance of innovation, China unveiled the “Made in China 2025” plan in 2015. Two years later, Chinese President Xi Jinping stressed to hasten the speed for building an innovation-oriented country at 19th National Congress of the Communist Party of China. The role of MSMEs in realizing these goals have been stressed as they account for more than 70% of technological innovations. Hence MSME development has been considered pivotal to innovation and growth.

For the last couple of decades, the Chinese growth story has realized the need for a skilled workforce as the economy undergoes structural transformation. Contribution to output and employment from agriculture has declined in favour of rising shares for industry and service. The need for skilled workers also feeds the policy-makers’ aspiration to transform the economy from low technology-based production based on manual/mechanical techniques to a more skill oriented, innovative and knowledge-based economy in the context of globalization. Hence, a lot of Chinese innovation in the MSME sector is attributed to skills development and training.

**Skill development needs stronger push in India**

India is new to developing its strengths through a clear focus on skill development of the workforce. India's skill development program is not as robust as that of China and faces many constraints.

Chinese skills training is implemented through educational reforms that deeply embed vocational and skills training within the curriculum guided by the Confucian ideology and the quest for lifelong learning. Going by their education policy, the Chinese society can be described as ‘a learning society’.

The Chinese Technical and Vocational Education and Training (TVET) system has been designed very systematically and comprehensively. In China, fiscal decentralization and autonomy of the local governments play an important role in the implementation of vocational education. Vocational education is introduced within the Chinese school system and provides opportunities for skilling for those entering the workforce. The state provides reskilling and upskilling opportunities for those already within the workforce and also those looking to rejoin the labour market, to cater to the changing market trends and demand. This ensures a skilled labor force in the MSME sector – the harbingers of innovation. With this value addition, the MSME sector is able to make the most of modern technology. It is able to increase efficiency and output and provide gainful employment to the large workforce.

**China lessons for skill development in India**

In contrast, education and skills training are provided in a siloed manner in India, with limited options for horizontal and vertical mobility. 57% percent of the total workforce in India estimated at 48.7 crore in terms of numbers is in non-agricultural sectors. Excluding the workforce with higher education which yet lacks formal training, the effective workforce is
Vocational education is introduced within the Chinese school system and provides opportunities for skilling for those entering the workforce. The state provides reskilling and upskilling opportunities for those already within the workforce and also those looking to rejoin the labour market, to cater to the changing market trends and demand. This ensures a skilled labor force in the MSME sector – the harbingers of innovation

estimated to be 45 crores, comprising mostly of youth. Approximately 24.2 crore would be unskilled or skilled through informal channels.

The National Skill Policy indicates that annually, a 2.6 crore strong workforce enters into the market. Many initiatives have been undertaken towards skilling. However, due to the impressive size of the workforce and sheer breadth of operations required to support skilling, the scale of the task remains daunting. Among persons of age 15-59 years, only 2.2% and 8.6% reported to have received formal and informal vocational training respectively.

Although nearly 2.79 crore people were trained between 2012 and 2016, the Government has achieved its annual target in terms of training people in 2011-12 and 2013-14 (72% in 2012-13, 72.43% in 2014-15 and 23.64% in 2016). While this could be attributed to forward looking targets of Skill India Mission, it also alludes to undercurrents of operational leakages and systemic challenges that need to be addressed before the targets can be achieved in a seamless manner. Some of the well documented challenges at an operation level in India are – inadequate standardization of content and certification, the poor quality of training, duplication of effort, inconsistent processes and weak data monitoring practices.

At a conceptual level of demand-supply, there is a misalignment between the skills development programmes undertaken by the State Skill Development Missions on the supply side with the industry’s demand in the states, leading to inadequate placements. The country has over 40 skill development programmes (SDPs) being implemented by over 20 Ministries/Departments of the Government of India, operating in silos. Among the multitudes of initiatives, many programs have their own metrics for measuring the outcomes, leading to improper mapping of workforce across sectors.

By 2030, it is expected that one third of the world’s working age population will be from India. To bolster and sustain India’s economic growth, investments need to be spread across sectors and the entire economy. Taking a cue from China, investments in manpower by revamping the skill strategy vis-a-vis market demand in addition to monetary adjustments are of utmost importance to help revive the slump in manufacturing and service sectors. This will facilitate the absorption of the ever increasing youthful resources entering the labor force. It will also raise income levels, thereby boosting demand. The government needs to look at the economy holistically and encourage and facilitate institutional strengthening, build capacity, foster innovation and enable and empower its citizens.

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Premier Li Keqiang (second from left, front) viewing technological achievements during an inspection to Tianjin University of Technology and Education in Tianjin, North China. Photo courtesy: Xinhua
The picturesque Himachal Pradesh, known as the ‘apple-bowl’ of India, has a history of more than 100 years of producing delicious apples. For the apple growers of the state, 2019 should have been rated as the best possible year. The weather has been highly favourable. This meant an extended winter and good snowfall. Both are necessary to meet the minimum chill hours for the fruit-bearing trees to blossom. Hence the farmers expected a bumper harvest.

In addition to the weather, external factors were also suitable from the farmers’ perspective. The Narendra Modi government hiked the customs duty on US apples from 50% to 70% this June. Political developments in Kashmir disrupted apple supply from the Valley. This led to greater demand for apples from Himachal Pradesh. But the fruit growers of Himachal Pradesh continue to have their worries about the produce. Their fears are not unfounded.

The apple growers closely followed news from the meeting of Chinese President Xi Jinping with Prime Minister Narendra Modi during the leaders’ informal summit in Mamallapuram. They were concerned that following the talks, India may consider lifting the ban on Chinese apples.

The ban was imposed in 2017, which in a way helped the US and some other countries like Poland to benefit from the situation. China wants to recapture its lost trade market for apples in India.

**India-China-US apple dynamics**

The US has its own points of concern where the apple trade with India is concerned. India upped the ante by raising duty on 28 items in June this year. Globally, India has been the second-leading importer of fresh apples.
Why producers of delicious Himachal apples are worried about the China produce

from the USA. Producers in the USA fear that India might have dealt a major blow to their apple industry by imposing tariffs on the fruit. On June 15, India announced that it would impose a 20 percent tariff on apples from the USA, along with 27 other products including almonds, walnuts and lentils.

The news was a bitter and hard blow for apple producers in the USA, who were thrilled by the huge Indian market opening up for their produce. In turn, apple farmers in Himachal Pradesh were elated by the news and waited for an unexpectedly sweet growing season this year.

The icing on the cake was the bumper crop in 2019. Approximately 1.22 lakh apple growers received an additional boost in the trade war between USA and India. American apples are on the tariff list. The Modi government raised import duty on US apples from 50 per cent to 70 per cent. For the fruit farmers in Himachal Pradesh, the benefits have been immediate, because American apples constitute almost 30 to 35 per cent of the total imports. The major brunt of the tariff is borne by the apple growers in Washington state, which produces the vast majority of America’s apples. About 25 per cent of the total apple apple produce of the USA is exported each year. Of the total US export of apples, 95
percent constitute those that are grown in Washington.

Interestingly, just the way China-USA-India trade dynamics impact apple farmers in Himachal Pradesh, they impact apple farmers in the USA too. China is America’s sixth-leading apple importer. The Chinese market traditionally chose higher quality apples, which were also priced higher. After China imposed a 25 per cent tariff on apples from the USA in retaliation for similar tariffs levied imposed by the Trump administration, trade slowed down significantly.

Currently, the big worry for Himachal farmers is not the apple produce grown and shipped from the USA. The big worry for them is the large apple produce of China. Prakash Thakur, an Himachal orchardist and former director of APEDA (Agricultural and Processed Food Products Export Development Authority) said that recently, an Indian delegation visited China’s apple orchards in Shandong. Thakur said that there is likelihood that India may reopen the trade for Chinese apples. APEDA is a government body under the Ministry of Commerce.

Thakur said that many Delhi-based importers of American apples cut down imports from the US after higher tariff. Nevertheless, Himachal apples will have to compete with produce from other countries. The higher duty on apples from the USA has brought relief for the farmers. But import duty on apples from countries such as Chile, Turkey and Poland continues at 50 per cent. The import of apples squeezes space on the market shelf for Himachal apples.

Any reconsideration or review of the ban on Chinese apples by India is not the only worry of apple growers. Sanjay Chauhan, a Communist Party of India (Marxist) leader, says farmers were also concerned about developments at the Regional Comprehensive Economic Partnership (RCEP) trading bloc. The summit, which has 15 other member countries including China and the ASEAN, considered the issue of free trade. There were more than a hundred items on the agenda.

Apple farmers are happy that India opted out of RCEP after a long suspense amidst protests and multiple concerns. Farmers across the country had been vociferously protesting the deal. Their fear was that the RCEP would result in a death blow to the already-sagging agriculture sector. While RCEP concerns have been addressed, the abiding worry of the farmers is that if China starts shipping its apple produce to India, it shall completely ruin the Himachal Pradesh apple economy.

Chauhan, who is also the former mayor of Shimla, says that China is the global leader in apple produce. Hence apples from China are sold at India at highly competitive rates. If their supply is allowed by the government again, it will hit the Himachal produce adversely. “We will not stand anywhere in the markets if the ban on Chinese apples is lifted and duty free fruit, including pears, are imported. It’s going to hit our

A Himachali woman happy with her orchard produce

China the big worry for Himachal apple growers
livelhood,” stated Chauhan.

Indian had imposed the ban on the import of apples and pears from China after the National Plant Protection Organisation (NPPO) suspected the presence of mealy bug and fungus in consignments. NPPO later sent teams to China to visit the orchards and check the presence of contaminants, if any. The NPPO move has brightened the China’s hopes to resume the trade.

**China’s high produce makes HP growers nervous**

Agro-economists in Himachal Pradesh also give other reasons as to why the local horticulturists feel threatened by the apple produce from China. The productivity of apples in China is very high, perhaps to the tune of 45 to 60 tonnes per hectare. The productivity in Himachal Pradesh is as low as 6 to 8 tonnes per hectare. This means that the cost of production for Chinese apples is much lower as compared to Himachali apples. Hence the Chinese can afford to sell apples at much lower rates.

Apple farmers in Himachal Pradesh say that Chinese traders can afford the price tag of Rs 800 to 900 for a 20 kg box in India. Himachal apples of old varieties like Royal Delicious are not sold for less than Rs 1400 to 1500 per box at an average. Apple growers of Himachal Pradesh believe that on account of the ban, Chinese traders have stored the apples in controlled atmosphere storehouses. They state that when the trade ban is lifted, China will start shipping the apples to India.

Bilateral trade between China and India had touched US$89.6 billion in 2017-18. In 2017, the volume of bilateral trade between India and China stood at US$84.5 billion.

During the talks between PM Modi and President Xi, both India and China agreed to set up a special panel to find ways of resolving trade deficit between the two countries.

In the current apple season of 2019 till October 15, Himachal Pradesh marketed 25 lakh boxes of apples. Farmers say their challenges are far more than those faced by apple producers in China. They believe that fruit markets are more organized in China, and farmers are not at the mercy of commission agents. Some young orchardists like Chetan Bragta admit that farmers feel helpless in the hands of the commission agents, who seem to play tricks to manipulate the market. Bragta said that this year, all factors were in favour of apple growers. Yet prices remained disappointing. Bragta’s family sold 5,000 boxes of apples – the produce from the 60-bigha orchard.

Farmers say climatic factors add to their woes. “The weather remains unpredictable. Snowfall is a key component for a healthy produce of apples in Himachal Pradesh. But snowfall patterns are unstable. The entire apple belt is rain-fed, but rainfall isn’t adequate either. Most of the apple orchards are old. Some orchards are maybe 45 to 60 year old and can’t sustain tough weather conditions. Apples require some minimum chilling hours. If the trees do not get sufficient chilling hours, it adversely hits fruit-bearing,” said Prof S K Bhardwaj, professor of Environment Sciences at Dr Y S Parmar University of Horticulture and Forestry, Solan, in Himachal Pradesh.

Prof Bhardwaj says the average temperature has increased by 1.70 degree Celsius during the last 100 years. According to him, there is 15-20% decrease in the snowfall recorded in the state. Abnormal climatic factors have had a significant impact on apple productivity, and have led to an overall decline in the production of the apples. This is not a good sign for the state, where apples have a 3 to 6 percent share in the state’s economy. India annually produces 23-25 lakh tonnes of apples, with Jammu & Kashmir (18-19 lakh tonnes) and Himachal Pradesh (5-6 lakh tonnes) accounting for the bulk of it.
The 2019 apple season in Himachal Pradesh

As par initial crop estimates this year, Himachal Pradesh expected a bumper apple crop in view of favourable weather, which include a long spell of winter and better snowfall. This gave sufficient chilling hours to the apple orchards, which are marked by heavy blossoming in February-March.

The growers are disappointed that despite the disruptions in supply from Jammu and Kashmir and the high import duty on Washington apples, they have not got good market return for their crop.

Ashish Chauhan, a grower at Kotkhai said that in the beginning, the apple markets were very favourable. “Some new apple varieties sold at Rs 1,800-2,200 per box. Thereafter, rains and flash floods in some states slowed down the arrival of the buyers from those states. The markets crashed. For about a week, there were no potential buyers at wholesale markets.”

2.70 crore apple boxes. The ban on the Chinese apples and higher import duty on Washington apples helped them. Despite these favourable factors, the apple producers got an average selling price of Rs 1200 to Rs 1400 per box. This price was much less than what the growers got for their produce in 2018. Last year, apple farmers were able to sell their produce at the rate of Rs 1700 to Rs 1800 per box. Himachal’s apple production was 2.23 crore boxes (each containing 20 kg of fruit) in 2017. It slipped down to 2.18 crore boxes last year. 2018 was regarded as the worst crop season for various factors. Yet growers got better rates last year even though there was no import duty hike on US apples.

Himachal Pradesh’s apple economy is valued at Rs 3500 crore per annum. Approximately 1.70 lakh families are engaged in apple cultivation in districts of Shimla, Kullu, Mandi, Solan, Sirmaur, Chamba and Kinnaur. The high-altitude tribal district of Kinnaur borders Tibet. It produces some of the most delicious varieties of apples in India.

Figures from the Indian government reveal that import of apples from China was 125,134 tonnes approximately in 2016. It was more than half of the total apple imports by India. China has also been exploring the possibility of importing fruits like pomegranate and bananas to India.

‘Imported apples pose stiff competition, Himachal is unprepared’

An American named Samuel Evans Stokes, who later became famous in Himachal Pradesh as Satyanand Stokes, brought apples to Himachal Pradesh in 1916. He had introduced the ‘Delicious’ variety of apples at Kotgarh area. This variety is the dominant one in Himachal Pradesh even today, sustaining the state’s apple economy. Commercially too, ‘Delicious’ is the most important apple variety grown in the state. But the state now faces a tough challenge posed by the arrival of imported apples.

A section of apple growers in Himachal Pradesh are now thinking about modernisation in the techniques of apple management and marketing. They are aware of the stiff challenge posed by Chinese apple, and know that sooner or later, they may have to face the competition head-on.

Apples have been grown in Himachal Pradesh for a century now. Apples from Himachal Pradesh largely catered to the domestic market all across the country. Till about a decade ago, the import of apples was not common. As a result, even the elite fruit shops across major cities stocked the best varieties of Himachal and Kashmiri apples only.

This changed about a decade ago as imported apples began flooding Indian markets. Affluent Indian customers started reaching out only for the imported apples. The high import duty on Washington apples helped them.
Apple farmers demand permanent high duty on imported produce

Apple growers of Himachal Pradesh want that the Indian government should impose permanent high duty on imported produce of apples.

Thakur, a leading orchardist, wants that the government must keep the import duty on American apples high, and extend it to the produce from other countries too. The demand for high import duty on apples gained ground during the Parliament elections of 2014. Again during the Parliament elections of 2019, raising import duty on apples was a major issue for farmers.

While this remains a political matter, growers have remained busy making the most of a good season.

For now, however, growers are making the most of this season. While this remains a political matter, growers have remained busy making the most of a good season. By the first week of August,
Many young apple growers of Himachal Pradesh have realized that unless they switch to new varieties, the survival of the apples produced from the state will be under threat. Prem Singh Chauhan of Jaltahar village near Kotkhai claims to have developed his own variety of apples, which he has named as ‘APS’. He has also applied for a patent. His variety sold at Rs 4,800 for a 28-kg box, which he says was more than Rs 2,000-2,500 (per 20-kg box) selling price of Washington apples. The new varieties being planted in Himachal Pradesh are Red Chief, Super Chief, Oregon Spur and Scarlet Spur. These varieties have been fetching much better rates than the “traditional” Red Delicious fruit, said Motilal Chauhan, another progressive grower. Chauhan struck the best deal this year to sell his produce for Rs 3,200 per box for the 2,500 boxes of Scarlet Spur (II).

Even as the Himachal apple growers try to lead the region into new areas of growth, they are worried about China making heavy inroads into the Indian apple market. Farmers feel that competition from China may wipe out the 60-70 year old Himachal apple trade.

Benefits from the stiff tariff measures are being felt in the apple belt of India. Many progressive farmers say their produce is so good that it can give tough competition to American and Chinese apples.

Some impact of the tariff measure is already being felt at the apple belt, with growers attributing it to the quality of apples this season. Motilal Chauhan, an apple grower in Kotkhai, says he got the best deal at his orchards due to selection of good root-stock and best orchard management practices.

“The rates are good because many growers have started using the best farm practices. Those orchardists who have replaced their old and aged plants of 30 to 40 years, raised new plantations from root-stock brought from Italy, the US and New Zealand are repeating a good harvest,” said 51-year-old Sandeep Singha, who belongs to the legendary Stokes clan, known as the pioneers of Himachal’s apple revolution.
Cormorant Fishing

Historically, cormorant fishing has been a significant fishing technique in China. To control the birds, the fishermen tie a snare near the base of the bird’s throat. This prevents the birds from swallowing larger fish, which are held in their throat. When a cormorant has caught a fish, the fisherman brings the bird back to the boat and has the bird spit the fish out.

Though cormorant fishing used to be a successful fishing industry, its primary use today is to serve the tourism industry. In Guilin, Guangxi Province, cormorant birds are famous for fishing on the shallow Lijiang River.
BEIJING REACHES OUT TO BRIDGE DIFFERENCES

CO-OPERATION ON CHINESE TERMS?
Over the last few months, we have seen consistently positive political messaging from China. In a statement released by China’s foreign ministry, Chinese President Xi Jinping said, “China and India are opportunities, not a threat, to one another. The cooperation between China and India will not only help each other’s [economic] development, but it will also contribute to peace, stability and prosperity in Asia and the world. China is willing to work with India to continue to promote a closer development partnership,” said the statement.

Ahead of external affairs minister S Jaishankar’s visit to Beijing to prepare the grounds for the second bilateral summit (between PM Modi and President Xi Jinping on October 11), China’s new envoy Sun Weidong said the two sides “should narrow their differences and step up cooperation on the world stage”. These statements, and more of their kind, coming at a time of heightened tensions over the trade dispute between the US and China as also US concerns over the increased militarization of South China Sea, were something to be expected.

Indeed, ever since the US renamed the Asia-Pacific region as the Indo-Pacific and also renamed its Pacific Command, based at Hawaii, as the Indo-Pacific Command highlighting the importance of India in its efforts to contain or manage the uncomfortable rise of China and its growing assertiveness in this region, China has been attempting its own balancing act to contain or manage the uncomfortable rise of China and its growing assertiveness in this region. Historically, the fact remains that while China has settled its boundary with all of its South Asian neighbors based on the watershed principle and the McMahon line, as also with others with minor adjustments, it has refused to do so with India’s efforts to contain or manage the uncomfortable rise of China and its growing assertiveness in this region. China continues its diplomatic overtures to woo India through strengthening the “Wuhan Spirit”, the “Chennai Connect” and talk of strategic cooperation on the world stage to uphold multilateralism and economic globalization. But suspicions abound on China’s true intent, particularly when viewed in a historical perspective. Many strategic experts have already stated that the “Wuhan Spirit” and the “Chennai Connect” are one-sided, with China acting unilaterally in its own interests in keeping with its strategic ambitions while India has been muted in its protestations when its national interests are blatantly ignored or opposed.

The border issue with China: A thorn in India’s side

Historically, the fact remains that while China has settled its boundary with all of its South Asian neighbors based on the watershed principle and the McMahon line, as also with others with minor adjustments, it has refused to do so with India. China continues to occupy a large chunk of the state of J & K in the Aksai Chin and Ladakh areas, most of it occupied
even before the humiliating war of 1962. China has progressively staked claim to the entire state of Arunachal Pradesh in the East, as also some other smaller areas in the North, to keep India off-guard and under threat while also improving its bargaining position. China’s use of its all-weather ally and proxy, Pakistan, in this effort cannot also be ignored. Being in occupation and as a stronger military power, China has shown little serious intent to resolve the boundary issue with India. As a matter of fact, the Chinese have been consistent only in continuously changing their stance and claims on the boundary issue. The Chinese have also been adept at slow and progressive occupation of claimed territory in what even the first prime Minister of India, Pandit Jawahar Lal Nehru, as early as in the 1950s, referred to as China’s concept of “mobile frontiers”. Later, this has also been termed the “salami slicing” strategy, evident recently even in South China Sea.

**CPEC and China’s long-term strategic plan**

China has invested heavily in the economic corridor through Pak-occupied Kashmir (PoK), better known as the CPEC under its Belt and Road Initiative (BRI). This has been done to enhance China’s strategic reach into the Arabian Sea through the development of Gwadar as a dual purpose port. China intends to use Gwadar both for trade and, in the long-term as a naval facility to support its military activities in the larger strategic aim of encircling India with its string of pearls as also to bypass the Malacca straits choke point.

Through this economic corridor, China also aims to exploit the mineral wealth of Balochistan while pushing in its citizens and troops into PoK and the rest of Pakistan in the garb of developing and securing this corridor. It is natural to presume that China would not invest so heavily in such a project in a so-called disputed area, actually in illegal occupation of Pakistan despite the accession of the state to India on 26 October 1947, unless it intended to defend its investment and interests in this area politically, diplomatically and, if required, militarily. The military dimensions of this investment have already been confirmed by the presence of 3000-4000 Chinese troops in PoK as early as 2012-13. This adds another dimension to India’s efforts to reclaim the occupied portions of the state of J & K. Further, even while accepting that the state of Jammu and Kashmir is under dispute, China has had no qualms in not just investing in PoK for the economic corridor but has already occupied a large portion of land in Shaksam valley of PoK, illegally ceded to it by Pakistan in 1963. While accepting the cession of this portion of land in the course of settling the boundary between Xinjiang and the state
of J & K, China did agree that the final status of this area would be determined based on the settlement of the Kashmir dispute between India and Pakistan and the sovereign authority emerging over this boundary. Keeping its forays into such disputed territory, China’s brazen and duplicitous approach in such matters is also evident from its objections to India’s cooperation in developing oil fields with Vietnam in the South China Sea and funding of development projects in Arunachal Pradesh, amongst many such actions against any activity in the so-called disputed areas.

China also developed Pakistan as a convenient proxy, almost as if it was following the Kautilyan strategy on middle kingdoms, to keep India in check even within South Asia from the late 1950s. China continues to support Pakistan politically, diplomatically, economically as well as militarily, the also in the UN Security Council can also be taken as confirmation of its strategic objective of keeping India from rising on the global stage despite exhortations of strategic cooperation with India as the two major Asian powers. China also continues to invest economically and politically in other nations in India’s immediate neighborhood while fomenting anti-India sentiments to keep it hemmed in within the region to thwart India’s rightful place as a regional power.

**China’s Tibet takeover and India’s strategic blunders**

Without doubt, India’s problems with China started with the Maoist takeover of Tibet with expansionist ambitions and India’s failure to recognize the security implications of this move and take appropriate political, diplomatic and military measures at that time. Instead, India took the assurances of Premier Zhou Enlai at face value and later tried to adopt a forward policy in the area without the wherewithal to maintain these positions when the Chinese had already built a road, consolidated their position in Aksai Chin and then laid a claim to more area.

India also made a crucial mistake in signing the 1954 Trade Agreement with the Tibet region of China that accepted, in effect, China’s sovereignty over Tibet, without linking this vital concession to either a settlement of the boundary with Tibet or at least an agreement on the framework of a settlement. India should have anticipated that sooner or later, China would extend its physical control up to the geographical frontiers of Tibet as it perceived them or as they suited its strategic needs.

As early as April 1960, it was decided between PM Nehru and Premier Zhou Enlai that both sides would prepare an official report with evidence on the boundary issue from both sides. Later, three leading American scholars carried out a detailed study of the evidence in the above Officials’ Report and came to the unequivocal conclusion that “the case the Chinese presented was a shoddy piece of work, betraying – if only to those in a position to consult the sources cited – a
fundamental contempt for evidence” in support of its claims and later aggression. Even as late as 1959, Zhou Enlai had stated in a letter that the 1956 map, published by China, which depicted the eastern boundary of Ladakh with Tibet in conformity with the Indian position, that it “correctly shows the traditional boundary between the two countries in this sector”.

China’s shifting stands

Despite such admissions, the Chinese have kept changing their stance and position on the boundary issue, laying claims to new and increased areas making all efforts at peacefully settling the boundary fruitless and frustrating. Even the Special Representatives (SRs) mechanism, set in place after PM Vajpayee’s visit to China in 2003, has been made ineffective by China expanding its agenda beyond the border dispute to the strategic relationship between the two countries by demanding transfer of the Tawang tract to China for “political” reasons. In view of the historical reluctance of China to settle the crucial boundary issue with India, it is difficult to see the Chinese ever “narrowing down the differences” and making many meaningful efforts to improve bilateral relations with India based on mutual respect and trust so that the two countries can continue to progress in a peaceful environment. As a matter of fact, China continues to make politically insensitive and unacceptable statements, as again exemplified by the recent one on July 31, 2019 by its foreign ministry spokesperson, Hua Chunying, on the need for third party mediation on the Kashmir issue, to keep India off-balance. For China, at least in the foreseeable future, it appears that it does not make any political, military or economic sense to lower the tension on the borders with India while it continues to increase its economic and military might to currently challenge the US in the Indo-Pacific and later on the global stage as the major superpower, which incidentally concurrently neutralizes India.

At the same time, it may currently not be in India’s interest to challenge China directly, at least militarily, while it is developing its own economy and playing catch-up. Till India is in a reasonably comfortable position economically and has a credible deterrence militarily, it would perhaps, be wise to play the same game politically and diplomatically and extract as many concessions and agreements it can, making deft use of the prevailing geo-political situation and its geo-strategic location in the Indian Ocean. Perhaps, India has just a decade or so to build its economy and the military to a comfortable level to deter China while China remains pre-occupied with issues like Taiwan, the South China Sea, the Uighur unrest in Xinjiang, pro-democracy movement in Hong Kong and even the Dalai Lama problem for its hold on Tibet.

India must strengthen ‘Act East’ Policy

Towards such deterrence, India also needs to pursue its “Act East” policy more actively and reach a cooperative understanding with other nations in the Indo-Pacific who have similar concerns on China’s aggressive moves in the area but cannot alone put a check on China’s salami slicing strategy. Existing maritime cooperation and exercises with like-minded nations should complement renewed political and diplomatic efforts in this area. The US has already identified India as a key partner in its strategy to contain China’s militaristic ambitions in the Indo-Pacific. However, under President Trump, the US does not seem to be following a coherent and consistent policy in its strategy with punitive tariffs and sanctions even against its military allies in Europe, Japan and South Korea, much less strategic partners like India. In view of these inconsistencies, India has, so far, wisely not overly banked on the US to deter, if not actually contain, China from its aggressive moves in India’s natural sphere of influence and interests in South Asia and the Indian Ocean. Despite such minor irritants, the need for a stronger relationship with the US remains for both sides. Currently, the US may be more focused in its efforts to get a deal for an honorable pullout from Afghanistan, however unlikely, to show some foreign policy victories for

A clear national security strategy, with reforms in the higher defense management, will help India synergize all national activities towards building the desired capabilities. All this needs to be achieved within the available window of the next decade before China consolidates its position in its claimed areas and starts looking at expansionist moves against individual nations in keeping with its policy of dealing bilaterally on disputes.
President Trump’s reelection campaign. This may compel the US to make statements like the offer to mediate in Kashmir to placate Pakistan. As a mature democracy, India has rightly underplayed such an unwarranted statement looking at the long-term benefits of a stronger relationship towards an improved technological base, trade and overall economic health of the country apart from the diplomatic support on global issues. India, once again, has to tread a narrow and carefully chosen path in its relations with the US, at least the next presidential elections in 2020.

In the long-term, however, considering that in international politics, there are no permanent friends or enemies but only permanent interests, it may be appropriate to lay out a national security strategy along with the economic roadmap to build the requisite capability to be able hold our own in the area of interest. A clear national security strategy, with reforms in the higher defense management, would help synergize all national activities towards building the desired capabilities. All this needs to be achieved within the available window of the next decade before China consolidates its position in its claimed areas and starts looking at expansionist moves against individual nations in keeping with its policy of dealing bilaterally on disputes. India also needs to realize that, with growing presence of modernized and powerful maritime presence of the PLA Navy in the Indian Ocean and Chinese utterances on the Indian Ocean not being India’s lake, it may well become a three front problem for India in its security calculus.

The bottom-line, as always, is the economy

Concurrently, India’s geo-strategically advantageous position in the Indian Ocean could be fruitfully utilized in deterring China on the northern boundaries as also in its cooperative arrangements with other countries. As a growing economic and military power without any hegemonic ambitions, borne out by thousands of years of its history, India is already seen as a net security provider in the region. The current Prime Minister, Narendra Modi, has also re-emphasized this aspect by repeatedly vocalizing the Indian philosophical perspective of *va-sudhaiva kutumbakam* (Sanskrit for “the world is but one family”) while describing the inextricable linking of nations by the seas, in terms of resources, trade and maritime security. Unfortunately, China does not appear to view the world in this manner with its romantic vision of its civilization. This may actually work in India’s favour in the long-term with an increasing number of nations realizing the ultimate objectives of Chinese aid towards their sovereignty and indebtedness. Even Pakistan may realize this some day, though perhaps too late.

At the same time, it has to be accepted that on the economic and trade issue, the answers lie mainly within ourselves. Towards these, India can only achieve its objectives by redoubling efforts to improve its indigenous industry and competitiveness while demanding equitable access to the Chinese market. A five trillion dollar economy is a great target but a lot more effort may be necessary, particularly in the fields of education & skill-development, infrastructure, industrial regulation & the judicial system for speedy resolution of disputes, investments and, finally, removal of corruption, to be able to grow at the desired pace and make our industry and services world-class. As the largest democracy with an improving investment environment and rule of law, it should also be possible to replace China as the preferred destination for investments, particularly in the coming decade when the Chinese economy is expected to somewhat slow down simultaneously with rising labour costs, growing internal unrest and trade imbalances.

In the end, the bottom line has always been the economy. India needs to make every effort in the area of economic development, which will automatically enable a stronger military to provide a credible deterrence for its security needs. While it is undeniable that India would not be able to match China, either economically or militarily in the foreseeable future, it is also a fact that India does not really need to match China since it has no hegemonic ambitions.

All it needs is a credible military with adequate capability for deterrence to prevent any adventurous moves on its territorial integrity or economic interests while it focuses on nation building. While India builds such capabilities, it must stand firm in the interim on its interests, like it did in Nathu La in 1967 and, more recently, in 2017 at Doklam. China must also realize that cooperation is a two-way street based on mutual respect and trust without coercion, acquiescence or appeasement.
The two informal meetings between Indian Prime Minister Narendra Modi and Chinese President Xi Jinping at Wuhan and Chennai respectively have revitalised mutual trust and provided continued strategic guidance for bilateral relations between India and China. While this is encouraging, it is evident that there is huge immense potential to further strengthen the bilateral relationship between the two countries at the grassroot level and overcome potential problems. We must strengthen the relationship with deeper intercultural and civilisational dialogue, more people-to-people interactions and exchanges to foster greater mutual understanding. India and China are at a critical stage in the revitalization of their common civilisational linkages. There now is an impetus to facilitate and enhance cooperation for the rejuvenation of dialogue and fulfilling the consensus of civilization as a reinforcing parallel to existing strategic dialogue.

This was the consensus at the India-China Inter-Cultural Dialogue organized by the India China Economic and Cultural Council (ICEC) in collaboration with the Chinese Association for International Understanding (CAFIU) on October 29. The Civilisational Dialogue was organized with the objective to bring together leaders from both nations across sections of society and promote mutual knowledge sharing and dialogue to strengthen the continued and harmonious co-existence between the two neighbouring ancient civilisations.

This was the first civilisational dialogue organized by ICEC and CAFIU. The delegation from China for this session was led by Mr Ai Ping, former Vice-Minister of the International Department of the CPC Central Committee, and Vice-President of the Chinese Association for International Understanding (CAFIU). Thought leaders from Indian universities, institutions, organizations and NGOs including the India Foundation, Rajiv Gandhi Institute for Contemporary Studies, think-tanks like such as China-India Foundation and other cultural organizations associated with China participated in the event.
Former Indian bureaucrat and IPS officer Dr K.S. Subramanian spoke on India-China cooperation in international relations. He noted that in Mamallapuram, a town in the Indian state of Tamil Nadu where the second informal meeting between Prime Minister Narendra Modi and China President Xi Jinping took place, ancient Chinese coins dating back to 2000 years ago had been discovered. Mr Subramanian added that “our civilisational linkages from centuries ago had been interrupted due to various factors and it was time to revive them”.

Prof BR Deepak, Professor of Chinese Studies at the Center for Chinese and Southeast Asian Studies, Jawaharlal Nehru University (JNU), spoke about the past civilisational dialogue between India and China, and a rebalancing of the relationship. He said noted that in the 2nd century BC, China discovered the sea route to India. He also spoke about the political rebalancing between India and China and both sides establishing new initiatives focusing on strategic guidance for national security. This resurgence of initiatives, he said, was coupled by the rebalancing of trade and investment.

Prof Deepak added that China had planned and implemented economic restructuring with clear focus on developing and providing support to manufacturing. He emphasized upon the complementarities between India and China. He stated that diverse sectors in India were now being tapped into and being developed, getting strengthened by Chinese investments.

Prof Deepak stressed upon the impact of the global rebalancing of the economic and political landscape. He noted that on major international issues, India and China ought to join hands in working together. These included global governance issues like Asian Infrastructure Investment Bank (AIIB). He added that as the two most populous nations, China and India should take leadership in addressing climate change. The appropriate form of rebalancing across the spectrum would enable the relationship to move forward in the right direction, he said.

The need and desire to strengthen China studies in India and India studies in China was highlighted as a means to give impetus to strengthening mutual understanding. Prof Deepak expressed regret that the availability of Chinese books in India was scarce. More publishing and distribution of books from China in India, he said, would facilitate knowledge sharing and enhance mutual understanding. He also stressed upon the importance of greater momentum in people-to-people exchanges, which must include diverse walks of society, with people engaging in fields of positive contact.

Prof Deepak suggested that specific corridors could be established in India to give a boost to the numbers of Chinese tourists headed here. These corridors could focus on spiritual tourism. For example, the Buddhist linkages between India and China can be strengthened by establishing the Buddhist corridor in India, he noted.

Prof Deepak observed that in media portrayals of China in India, China is either portrayed as extremely benign or extremely hostile, which was inaccurate. He emphasized that it was extremely important to recognize the power of civilisational dialogue in promoting greater mutual understanding.

Mr Mankanwaldeep Rampal said that India and China cooperated to rejuvenate Nalanda University. But the larger picture is that for most Indian students, China isn’t among the top choices for studying abroad. Similarly, Chinese students do not want to come to India. For civilisational dialogue, it is important that students and youth from both nations should interact more.

Prof Deepak said that all sections of the society in both nations must accurately recognize and comprehend the relationship between India and China. This, he said, would have a direct impact on bilateral relations between both countries and strategic decisions on both sides. Incorrect understanding of the relationship would lead to faulty analysis.

Mr Vineet Adhikari said that both countries have so much to be proud of in their grand history. It was important to understand the linkages between India and China not just through the prism of trade, politics or GDP, but an assessment of the human index, about how people are doing and how happy and satisfied they are.
In the Indian media, China is either portrayed as extremely benign or extremely hostile. Both countries lack a structured mechanism to take such civilisational dialogues forward. Irrespective of our political dynamics, trade and culture remain two major facets of civilisational interaction. China and India must identify institutions that can steer complementary bonding.

Prof Sabaree Mitra of the Centre for Chinese and South Asian Studies, JNU, noted that India and China are ancient civilisations that have interacted with each other over two millennia. Prof Mitra added that irrespective of our political dynamics, trade and culture remain the two major facets of civilisational interaction.

She commented that under the leadership of President Xi Jinping, China has made efforts to bring culture and civilisation at the core of the nation’s drive to strengthen its identity while also reinforcing global linkages.

Prof Mitra said that under the leadership of Prime Minister Modi, India has asserted that cultural heritage is at the core of peoples’s identity. There is a dominant cultural consciousness to create an overarching rubric of identity. Sometimes, similar efforts may be driven by geo-political compulsions of modern nation states, she said.

Prof Mitra stated that it was important to study how much we were focusing on civilisational connections, and how sincerely we were progress in this regard. She questioned whether is disconnect at the political level to connect the strands in our civilisational linkages, and if it was so, there was need for both China and India to shape our present political relations in a positive direction. Prof Mitra observed that strong institutional connections were lacking between both nations. There was need to identify institutions that can steer complementary bonding and create a direct positive impact on bilateral relations.

Mr Ai Ping, Vice President of Chinese Association for International Understanding spoke about how the Chinese look at Indian civilisation. He said that we tend to think that there is huge difference between civilisations in the West and in the East. Mr Ping said that among civilisations in the East, India had many linkages with other civilisations because of geographical positions. He highlighted that in the process of modernization, China grew to develop similarities and also major differences with other civilisations. Economic development was the top priority for China, because it was felt that a strong economy can solve many other problems.

Mr Ping said it was correctly observed by some speakers that both India and China are struggling to understand each other better, and also understand the problems faced by the other. He said that civilisational dialogue cannot be just a slogan. There was need to understand it deeply and revitalize the bonding.

Mr Hemant Kumar Dixit, who has produced entertainment content for leading Chinese television networks, said it was important to create entertaining and inspirational content which can engage people in both societies. He emphasized upon the significance of a self-sustained system to create culturally rich content, which will enable both sides to learn from each other and understand each other more.

Mr Piyush Jain of China India Foundation (CIF) said that policy, culture and education were some of the areas where people-to-people exchanges could play a strong role. He emphasized upon the importance of institutional partnerships between India and China. Student exchange had major potential, and there was much opportunity among millennials to explore this area of mutual growth.
Mr Mohammed Saqib, Secretary General of the India China Economic and Cultural Council, noted that strengthening cooperation between institutions of the two countries needed special focus.

Ms Shikha Aggarwal of India Foundation said it was important for China and India to take the civilisational dialogues process forward in a dynamic manner without eulogizing or demonizing the other nation. Simultaneously, it was also imperative to look at the hard truths of global and Asian geo-politics. She said that the Wuhan consensus initiated the template of India and China pragmatically strengthening the bilateral relationship and understanding each other’s perspective towards geopolitical realities.

Ms Mona Dikshit, who was working as Senior Research Fellow with Rajiv Gandhi Institute for Contemporary Studies, said it was important for both China and India to prioritize their mutual focus areas for the next ten years. If that focus could be articulated in addition to the political push at the national level, it could build mechanisms for people-to-people connect at national and regional level. It was important for people in both countries to understand and appreciate their diversities, she said.

Mr Dushyanth Damodaran, an investment advisor on India and China with extensive experience in China, noted that while there have been programs and initiatives to strengthen bilateral cooperation, developing a country-level mechanism for a concerted and structured effort both at a strategic and people-to-people level was imperative. He emphasized that creating a reinforcing relationship between insights gained at both platforms in a mutually reinforcing manner was pivotal to strengthening India and China’s multifaceted bilateral relationship.

Mr Liu Lujun, Deputy Secretary General of Chinese Association of International Understanding said that 2020 would see 70 years of diplomatic relations between China and India. The initiation of such civilisational dialogues was the starting point for greater people-level contact.

Speakers said it had been observed that when Indians visit China, they find that Chinese appreciate Indians and also our civilizational links. Many Chinese who come to work in India find a second home here. When they have to leave India, they feel a sense of loss. The Chinese want to invest in India because they know they shall get good returns for their investment. Many speakers said that such conferences must be encouraged in order to promote cultural exchange and mutual understanding.

Rounding off the discussion, Prof Deepak said that the circulatory movement of ideas, technology and goods has benefited India, China and the entire region. Such circulatory movement, he said, benefits societies and civilisations. While talking about civilisational dialogues and the need to rejuvenate our ties, we need to address and deal with thorny issues, he said. Prof Deepak said that at this time, the relationship between China and India is complex. There is engagement, cooperation and even conflict. Hence both sides should not look at our mutual engagement from a simplistic binary of being friends or enemies. Both nations need sustained constructive and pragmatic engagement.

Prof Sabaree Mitra said that while individual effort has played a major role in building civilisational ties between India and China, we are now relying too much on state efforts to drive closer ties. Prof Mitra said that individual effort contributes majorly to state initiatives. She urged both China and India to appreciate this reality and incorporate individual effort into institutional mechanisms for greater people-to-people contact.
Many areas where China, India can find common areas of growth, prosper together

China and India must focus on positives, find areas where we can work together and agree, Mr Ai Ping, former Vice-Minister of the International Department of the CPC Central Committee and Vice-President of the Chinese Association for International Understanding tells Executive Editor Rajni Shaleen Chopra
China and India are now looking at each other closely. President Xi Jinping has spoken majorly about culture and civilisation. Many political analysts regard that the geo-political realities will drive a wedge between India and China. Other analysts believe that China wants to squeeze India and restrict it to South Asia, so that India is not able to attain the stature of a global player.

Nobody in China thinks this way. There is a saying in English that ‘size of the cake matters’. It means that bigger the cake, bigger the slice people will get. Together, China and India can make a bigger cake.

Some people call our relationship a zero sum game. This is not true.

India has had ancient civilisational impact on many nations. We see the Indian impact in Cambodia, Laos, Indonesia and other Asian nations. China became a unitary state in 221 BC.

We must appreciate that the spread of Indian culture in South Asia was an individual effort at most times. It was driven by individual endeavour and enterprise. It was not a state-backed or state-sponsored effort.

China and India have a common cultural and civilisational background with India. Civilisations in the east face common challenges. There should be alternative ways other than the Western ways for cultural rejuvenation of ties and for modernization. This is the reason why our national leaders have spoken about civilisational dialogues and ways to strengthen it – in order to improve our mutual understanding.

In terms of mutual understanding and trust, there are some misperceptions between the two countries. The important question is – how do we overcome these misperceptions? One challenge is that we are not looking at each other directly but through the prism of the West. Looking at each other through the prism of geo-politics or strategic studies is a zero sum game.

We have very strong trade and economic relations, which take any equation far beyond zero.

Indians feel bad about the trade deficit with China. This leads to a negative feeling in India, and many Indians worry about it. They feel that the economic expansion of China will squeeze the Indian market. I agree that India has a trade deficit vis-à-vis China. We also know that the import of Chinese equipment strengthens Indian capacity of production.

India faces the problem of poor electricity networks. If India allows Chinese companies to make investment in power generation, that can help India in improving the livelihood of people. It shall also significantly enhance the potential for industrial development in India.

This is an example of how trade strengthens bilateral relations. This is not a zero sum game where one side wins and the other side loses. It can be a win-win game. The main purpose for us is to promote mutual understanding. Our main purpose is to convince more people to participate in strong mutual bilateral relations through stronger people-to-people exchange.

India’s boycott of the Belt and Road Initiative (BRI) is also much discussed. Let us acknowledge that India did not boycott the principle of connectivity. The diverse aspects of connectivity are policy coordination, infrastructure connectivity, trade and business investment, financing these initiatives through AIIB or BRICS, and people-to-people exchanges. Areas of common interest like education, culture, movies, academics etc are part of people-to-people exchanges. We hope that engagement in these various fields shall provide a broad, solid foundation for the various connectivity initiatives between China and India.

We know that India is opposed to BRI because of the China Pakistan Economic Corridor (CPEC). We have other corridors with India where our mutual partnership is strong, like the Kunming to Kolkata corridor. Or the corridor of which Bangladesh is part.

Connectivity helps facilitate economic development. We can decide the various bilateral corridors which can be of mutual benefit. They can be for power supply and electricity generation. We can connect for infrastructure facilities. We have also spoken of trilateral cooperation of China-India Plus.

For example, the China-India-Nepal partnership can help develop the hydropower potential. There is ready market and ready technology. We only need to accelerate this process.

We can look at China-India cooperation in African nations, in Afghanistan or in Central Asia, which is closer. The need is to focus more on the positives – find areas where we can work together and agree. Bilateral cooperation can help us overcome the bottlenecks in our relationship.
MAMALLAPURAM
A climax of Indian cultural effervescence
India and China, the two ancient cultures are both of great continuous antiquity, unsurpassed by any other culture. Their contribution to the rest world in both scholarship and arts is substantial. Their uniqueness is also complementary, like the great Indian oral tradition and its counterpart in the Chinese belief that everything is worthless unless put into writing. Almost in the entire neighbouring region being called Indo-China is a tribute to the influence of the two nations. Over centuries, it was a generous mutual give-and-take between the two civilisations enriched both, and also benefitted to whole of mankind.

Among the great gifts of India to China is the dharma of the Buddha, who conquered the entire China and beyond through the message of peace and love. This has manifested in the Panchsheel, the Five Principles of Coexistence among nations, promulgated millennia later.

The shared cultural and civilizational ties of India and China were brought into focus when the two great leaders of these neighbouring nations met in October this year in India to further their friendship for the benefit of not only their countries but set a template for the whole world.

The role of the Pallavas in Indo-China cultural ties

The choice of the venue for the informal summit between the two leaders – Mamallapuram – is fortuitous. Mamallapuram is not just a location of climax of Indian cultural effervescence. Of equal significance is the study of the clan, the Pallavas, who caused this cultural effervescence and played a significant role in the close relations between India and China. What we can infer is through both history and myths. Though the former is for the record, it is only the latter, namely myth, that contributes for lasting emotional attachment.

The Pallavas were a colourful dynasty, whose contribution is priceless. Their being placed with the Imperial Guptas,
another great dynasty of India, in fine arts and architecture is matched by a few other worthy contributions. The seventh century chronicles of the Hiuen Tsang – a Chinese Buddhist monk, scholar, traveller, and translator – are historical. Various other sources are legends. These legends are intriguingly culled out of the records in China.

The Bodhidharma, who founded the Shaolin monastery, introduced zen (dhyan) to China and also introduced tea was a Pallava prince. Again from Chinese sources, we gather that a Chinese king gave a name to the Pallava military. The Pallava army assisted the Chinese emperor in his fight against the Tibetan and the Arab forces. Again from such sources we hear that a Buddhist vihara (monastery) was built by the Chinese in Nagpattinam, about 250 km south of Mamallapuram.

The choice of the venue, Mamallapuram, is noteworthy for one more important reason. It boasts of many monuments, and these are among the best that India has produced in its 5000-year long art journey.

The link between Tamil and Chinese

India is a vast multi-lingual country. At least 22 languages are its national languages. Tamil, the language spoken this part of India is one among these. Tamil has the distinction, which it shares with the Chinese, being one among the oldest living languages of the world.

Mamallapuram, also known as Mahabalipuram, is a scenic coastal town on the shores of Bay of Bengal. It is about 60 km south of the capital of the southern state Tamilnadu. The palm-lined road that connects is picturesque by itself. The present site has been mentioned in Tamil literature of 2000 years of antiquity. The

Arjuna ratha – Eastern panel

S. Swaminathan taught Mechanical Engineering at Indian Institute of Technology (IIT) Delhi for more than 30 years. He also worked in Centre for Rural Development in at IIT Madras and at Bharath Gyan Vigyan Samithy, Delhi, as the National Coordinator for Watershed Development and Integrated Rural Technology Centre, Palakkad, Kerala. He helped in the establishment of Sudharsanam, a centre for arts and culture in Pudukkottai, his native place to achieve the twin aims of documenting the heritage of the district and offering an opportunity to the youth to appreciate their culture. He has offered a method of preserving the priceless paintings in the Jaina cave at Sittannavasal, by setting up a heritage complex incorporating a recreated cave shrine. His major post-retirement activity was documenting the Pallava art at Mamallapuram. A coffee-table book in English sponsored by MARG, Chennai, is the outcome. In addition he has been conducting guided tours to this heritage site. A coffee-table book in Tamil has also been published.
present name Mamallapuram is more recent, and owes its prominence as the port of the Pallavas. It is named after Mamalla, another name of a mighty Pallava king, Narasimha. The local name Mahabalipuram, a corruption of the more evocative Mamallapuram, is still more recent.

The beautiful monuments here are belong to the Hindu faith, though the Pallavas themselves had been very supportive of the other two major religions, Buddhism and Jainism. The attention of the art world towards these monuments is due to many factors. UNESCO declared these monuments as World Heritage monuments in 1984, for their originality, creativity and influence in south-east Asia.

**The monuments of Mamallapuram**

These monuments are important for many reasons. The Pallava sculptures are in the classical style, right at the first attempt. They are wrought on granite, the hardest material, a feat accomplished almost thousand years after Emperor Asoka. Mamallapuram is the only place in India where all the three stages of temple architecture, namely, cave temples, single-stone temples and structural temples can be seen. Truly, Mamallapuram is a one-stop-shop for temple architecture of the South. Further, open-air bas-reliefs, like the Descent of Ganga, are not found anywhere else in the country.

The visitor to Mamallapuram would be struck by the artistic merit, originality of treatment and power of execution. The visitor may attribute all these to the royalty, without realising that royal intentions and wealth alone would not have sufficed. The makers were from a dedicated community called Vishwakarma. This community was exceptional in its devotion to art. The
Vishwakarma dedicated their whole life to this art form starting with decades of apprenticeship under elders, study of scriptures and canons, ability to imbibe expression (bhava) and transfer the same to inanimate material, capacity to concentrate and various other attributes to achieve excellence. This led to their ability to ‘squeeze marvels’ out of the hardest material known to man - granite.

**Sites chosen for the Modi-Xi Informal Summit**

The sites chosen for the informal meeting of the leaders representing the two great cultures are three outstanding monuments within this museum of temple architecture. Let us breeze through them.

**Arjuna’s Penance**

Meeting officially each other at the east-facing Arjuna’s Penance while the sun is behind the hill, not throwing harsh rays, would have been a great, calming experience. This large relief composition would be etched in the honour role of art history of the world. Relief sculptures have been done even earlier, in Ajanta, in Amaravati and so many other places. But the Atyantakama Pallava clan (‘Pallava-clan-of-endless-desires’) is unique, for using a straight vertical face of have been used as the canvas. This unusual and breath-taking enterprise has not been attempted anywhere ever since.

The popular name of this grand site, *Arjuna’s penance*, is after a Mahabharata hero. It is a huge open-air relief-carving, the largest of its kind in India, and perhaps in the world, about 100 feet long and about 40 feet high. This, among others, exemplifies the highest point of artistic tradition of the Tamil country. One is struck by the acute naturalism and refinement of the carving.

The time chosen for the two great leaders to meet here – mid morning – was also propitious. It was the appropriate time for them to start savouring the...
apogee of Indian art. At this time the shadows bring out the reliefs in true depth.

**Pancha Pandava Rathas**

Following the two great leaders, their next stop was another grand spectacle, the *Pancha Pandava Rathas*, as these five free standing temples are called. Never had anyone in the past dreamt of carving out an entire temple, with all its intricate features intact, out of free-standing boulders. The five on this complex and four more elsewhere are another proof of the ‘endless desires’ of the clan of Pallavas.

**The Shore Temples**

The third and final stop of Prime Minister Modi and President Jinping at Mamallapuram was the unforgettable scene of the sun throwing its last shining rays on the Shore Temples before disappearing for the day. There two magnificent temples have been standing
resolutely for more than a millennium against the onslaught of tempest, cyclones and tides.

Though the sculptures on the walls of this temple complex are badly eroded by the moist and saline winds from the sea, the architectural proportions and make-up, and the natural setting on the sea make the edifice one of the finest monuments in India.

Definitely, the Shore Temples are Mamallapuram’s logo. Even in its present, highly wind-surf-worn state, they are statuesque. There is nothing resembling this in the length and breadth of the temple-filled Tamil country. The state dignitaries spending so much time on one of the greatest Indian architectural achievements speaks of their interest in the finer aspects of our nation’s culture.

**Cave Shrines**

The cave shrines of Mamallapuram can boast of being among the best artistic creations of the Indian sub-continent. For the Chinese, cave shrines aren’t new. Hundreds of cave temples have been excavated in China from the 4th century CE onwards. The caves of Dunhuang are not only some of the earliest, but also most spectacular. Cave shrines in India were initiated by Emperor Asoka in the 3rd century BCE. Many more were excavated later in all parts of the sub-continent. There are closer to a dozen in Mamallapuram in various levels of sophistication. Many of them contain relief sculptures, religious in nature, on the inner walls, some of which are remarkable.

Visitors to Mamallapuram cannot miss the beautifully calligraphed inscriptions at a number of places in the monuments here. All these Pallava inscriptions are in Sanskrit. All except one are written in a script of great significance.

The Pallava contribution is not restricted to the art world alone. They created a script called Pallava Grantha, or simply Grantha, for writing Sanskrit in the Tamil country. This script became the mother script for most of the languages of South-East Asia, except the Chinese, the Japanese and the Korean scripts. This indeed is a great contribution of the Pallavas to the world of letters.

When it comes to art, Mamallapuram is a rhapsody! All monuments in Mamallapuram, save the structural temples, are basically sculptures. This is a field in which the sculptors had no equal in Tamil country. In variety, in the size, in composition, in the mode of presentation, one can witness the *atytantakama (of endless desires)* at work!

The state dignitaries who selected this spot for their informal meeting have exhibited a high level of aesthetic sensitivity, befitting the two great cultural giants!
PM Modi scored high with attire, choice of city for second informal meeting with President Xi Jinping

The tasteful video released by the Prime Minister Office @ PMOIndia on the first day of China President Xi Jinping’s visit to Mamallapuram was watched 153,000 times. The video showed PM Modi taking President Jinping on a guided tour of the UNESCO declared heritage monuments at Mamallapuram.

Later, both leaders enjoyed scintillating classical dance performances by students of Kalakshetra. This is the Daily Pioneer, an Indian daily, put together two photographs to make an interesting collage showing PM Modi and President Xi Jinping enjoying fresh coconut water in the backdrop of a grand temple at Mamallapuram. Image courtesy: dailypioneer.com
On the choice of Mamallapuram as the city for the second informal summit, Srikanth Kondapalli, a professor of Chinese Studies at Jawaharlal Nehru University, New Delhi, told LiveMint, an Indian daily, “Of course there is a message here. The message is that India too like China is an old civilisation. It is no pushover. India has a long history of retained resilience.”

masterstroke. In a deft political move, PM Modi underlined the nation’s pride in its Tamil heritage. On the domestic front, the political messaging of the PM’s clothing was loud and clear. India is immensely proud of the ancient culture and heritage of Tamil Nadu, which has recorded high achievements in all spheres of human endeavour. By wearing the graceful attire of Tamilians to greet President Jinping on the day of his arrival, PM Modi silenced the critical political voices from Tamil Nadu and other parts of South India that have sought to politically target the nation’s ruling party, Bharatiya Janata Party (BJP).

In a report published in LiveMint, an Indian daily, Srikanth Kondapalli, a professor of Chinese Studies at Jawaharlal Nehru University (JNU), New Delhi, said, “Of course there is a message here. The message is that India too like China is an old civilisation. It is no pushover. India has a long history of retained resilience,” he said.

The message to the Chinese is also that Beijing was looking only at a portion of history, i.e. from 1947 onwards when India and Pakistan became independent countries, said Prof Kondapalli, pointing to the close cooperation between China and Pakistan that New Delhi sees as a detriment. “There is the message that India has been able to thrive in art, trade, culture, literature and economy since the ancient times,” he said, adding this was with the full recognition on Modi’s part of the current asymmetries between India and China, including a trade deficit of $57 billion against India.

The LiveMint report also stated that Tamil Nadu has had trade and cultural links with Fujian province, where Xi once served as governor helped give an immediate context to the choice of Mamallapuram as the venue for the second informal summit between the leaders of the two Asian giants. Quanzhou, a port city in Fujian, has recently unearthed evidence of trade links with southern coastal India that existed almost 1,400 years ago.

India’s Foreign secretary Mr Vijay Gokhale told mediapersons that during the tour of the monuments, the Prime Minister and President Xi Jinping spoke of the historical and trading links between the Southern part of India...
India China Economic and Cultural Council supported the welcome ceremony for renowned Buddhist monks and religious leaders from mainland China and pilgrims. ICEC, in collaboration with World Peace Association and Ministry of Tourism, Government of India, hosted a reception to welcome the Buddhist delegation at The Lalit Hotel on October 1, 2019.

Important leaders like Master Jing-Yao, Jian-Yin, Hung-An and Chan-An along with 40 eminent guests were present at the event. Mr. Irfan Alam, Member Secretary at India China Economic and Cultural Council, Mr. Anil Gan, Regional Director North, Ministry of Tourism, Mr. Divay Pranav, Invest India and Mr. Ramnivas Kumar, Director of Buddha Circuit Development Council were some of the important speakers at the event.

The relationship between India and China has evolved over past few years. The welcome ceremony and interaction was organized to promote healthy discussions between the two nations. The discussion focused on improving India-China relations by exchange of culture and tourism. The development of a peace meditation resort at Bodh Gaya was an important topic covered during the talks. It was felt that the resort will help boosting Chinese tourism to India and will act as a bridge between Indian and Chinese culture.
India China Economic and Cultural Council (ICEC) participated in “China (Shenzhen) - India (New Delhi) Economic & Trade Cooperation Seminar” held on September 26, 2019 at India Habitat Centre, New Delhi. The aim of the seminar was to promote economic, trade, cultural and academic exchanges and cooperation between Shenzhen and India. Another objective of the event was to promote the 1st Shenzhen International Consumer Goods Import Fair which will be held on March 24-27, 2020 at Shenzhen Convention and Exhibition Center.

In his welcome address Mr. Li Baijun, Economic & Commercial Minister from Embassy of People’s Republic of China thanked the media, delegates & other official dignitaries present on the occasion. He said that the Shenzhen International Consumer Goods Import Fair is an excellent opportunity to extend the business cooperation between Shenzhen province and India. The governments of both the countries are keen to facilitate more trade and investments. In recent years, with the joint efforts of the leaders and peoples of two countries, China-India relations are developing in an all-around manner.

Mr. Zhou Ming, Deputy Director of Shenzhen Bureau of Commerce, said that in the last decade, Shenzhen has further enhanced the friendly exchanges with South Asian countries, with improved bilateral relations and remarkable economic and trade achievements.

Mr. D.K. Sareen, Executive Director of Electronics and Computer Software Export Promotion Centre, also addressed the event. He highlighted the opportunities in the field of electronics and software in India. He also focused on the important points which would help both the countries in development of IT Sector.

In concluding remarks, Mr. Yan Qing Zhong, Deputy Director of Shenzhen Bureau of Commerce Service and Trade Department, said the seminar helped them in getting to know more about Indian IT sector. He said that such interactions should take place frequently to bridge the gap between two nations. He presented a video of Shenzhen province and highlighted about the Shenzhen Greater Bay Area. He focused on the opportunities in Shenzhen and how it may help foreign investors. He ended the seminar by thanking ICEC for their invaluable support.
**Xiaomi starts lending money online to people in India**

Chinese smartphone maker launched Mi Credit in India as its financial service Mi Pay competes against similar services from Amazon and Alphabet’s Google. Corp recently launched its online lending service in India, widening its offering of financial products in one of the world’s biggest web services markets. Xiaomi’s Mi Credit connects smartphone users with lending firms, giving them access to quick loans of up to 100,000 rupees (US$1,393.34).

**China tests next-gen subway train with touch-panel windows**

China has been working on a next-gen subway train that’s lighter, faster and high-tech. Now it’s getting a trial run in Guangzhou. The Guangzhou government says the new train can reach speeds of 140 kilometers per hour (87 miles per hour), which is 75% faster than current subway trains. This is because it’s made of carbon fiber composite, making it 13% lighter. The new carbon fiber train can reach nearly 90 miles per hour, but some question if it’s too costly or even necessary. But the train isn’t just faster. It includes high-tech upgrades like translucent touch-panels for windows, although it’s not yet known what those touch-enabled windows will be used for.

**The Environment-Friendly Christmas**

‘Save the Environment’ is a global slogan now. The Pollard family in Hong Kong has tips and tricks on how to make Christmas more environmentally friendly. The family lives in the small beach village of Shek O, on the south side of Hong Kong Island. The Pollard children have made their own festive tree and decorations from washed up wood and rubbish. Photo: Roy Issa.

Contents and pics courtesy South China Morning Post
China’s subways embrace facial recognition payment systems despite rising privacy concerns

Cities across China have been trialing face recognition payment systems for their subway networks. Now Zhengzhou, the capital of northeast Henan province, has become the first to roll out the technology on a wide scale. Local commuters can board and exit any of Zhengzhou’s subway stops using an optional face scan, according to a report in the Henan Daily. The roll out comes as China is pushing the AI-enabled technology into all walks of life, from catching wanted criminal suspects and preventing ticket scalpers to saving public toilet paper and checking on class attendance. Since the service began trials in September, nearly 200,000 commuters in Zhengzhou have elected to authorise face-scan payments using a local metro service app. Face scan payment means commuters do not have to carry cash or use stored-value metro cards and smartphones, making it a hands-free process, especially convenient if they are carrying luggage or are with children. Still, the expanding use of face scans across China has prompted growing concerns over data safety and user privacy. Last month, a law professor in east China sued a wildlife park for breach of contract and infringing on consumer rights after it replaced its fingerprint-based entry system with one that used facial recognition.

China makes face scans must for phone users

China will require telecom operators to collect face scans when registering new phone users at offline outlets starting Sunday, according to the country’s information technology authority, as Beijing continues to tighten cyberspace controls. In September, China’s industry and information technology ministry issued a notice on “safeguarding the legitimate rights and interests of citizens online”. which laid out rules for enforcing real-name registration. The notice said telecom operators should use “artificial intelligence and other technical means” to verify people’s identities when they take a new phone number. The “portrait matching” requirement means customers registering for a new phone number may have to record themselves turning their head and blinking.

Image courtesy: newskarnataka.com

Contents and pics courtesy South China Morning Post
Chinese tourists will be educated on how to behave in Malaysia

China's ambassador to Malaysia recently acknowledged that the embassy had received complaints regarding the misconduct of mainland Chinese travellers in Malaysia. Speaking at a forum, the Ambassador acknowledged that this was a cause of embarrassment for his government. “The Chinese have a civilisation dating back 5,000 years and we know how to behave properly and not offend others. But, just in case any have forgotten, we will educate our tourists to behave properly in Malaysia,” he said. Some of the more memorable incidents of Chinese tourists acting improperly include a pair whose “hot dance” in front of the Kota Kinabalu City Mosque last year saw them fined and kicked out of the Muslim-majority country. The Chinese consulate responded with a statement reminding its citizens that they “must abide by the laws and regulations of the country of their destination, respect local traditions and customs, follow guides’ arrangements and should by no means address religious taboos. They should safeguard the good image of Chinese tourists”.

This year, footage of a woman believed to be of Chinese origin defecating on Port Dickson beach went viral, causing some online commenters to call for a complete ban on tourists from mainland China. There was also the time a Chinese tourist was fined 6,000 ringgit for lighting up in the lavatory on board an AirAsia flight from Kuala Lumpur to Tawau, in the state of Sabah, not to mention an episode in September, when immigration officers were attacked by two Chinese nationals who had been issued with a Not To Land notice and denied entry to the country. The duo were sent back to China, along with a companion, and blacklisted from ever entering Malaysia again. Of course, it is not only tourists from the Middle Kingdom who mess up in Malaysia. In 2015, a Briton, two Canadians and a Dutchman undressed atop Mount Kinabalu, angering the gods and triggering an earthquake that killed 18, or so some of the faithful believed. The quartet were arrested, charged with public indecency, jailed and fined 5,000 ringgit for their sins.
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