## REFLECTIONS FROM CHINA

## An Interview with Cheng Ruisheng

Since the formalization of diplomatic relations in 1950, China and India have balanced a series of opportunities for cooperation against a host of potential conflicts. Cheng Ruisheng, veteran diplomat and former Chinese ambassador to India, discusses this complex relationship with the *Journal*'s Diyana Ishak, and explains why he is optimistic about the future of Sino-Indian relations.

**Journal of International Affairs:** How would you describe China's foreign policy visàvis India?

Ruisheng Cheng: China attaches much importance to our relationship with India because India is our second largest neighbor next to Russia. Both China and India are developing very fast economically. We wish to have a long term, stable and overall relationship with India. We already have a six-year strategic cooperative partnership and our policy is quite clear. This policy has been vindicated through our work in the past twenty to thirty years. Our Indian friends also understand quite well that China's policy toward India is a policy of friendship and cooperation.

**Journal:** What is the popular perception of India in China?

Cheng: The perception of India among the Chinese public is positive, particularly because people often get to know India through our classic novel, *Journey to the West*. Most Chinese people know India as the country where Buddhism originated. Nowadays, young Chinese people love Indian films very much, especially Bollywood films, which are very popular here. Yoga has also become very popular.

But those who have traveled in India, when they come back, they have some

complaints. They find that life there is not as easy as in China. They find that India's infrastructure is in a backward state.

Furthermore, in China, very few people know there was a border war in 1962 between the two countries, unlike in India where many people have this memory. Common people in China don't know about the 1962 conflict, so usually people do not see any threat from India, especially with all of the friendly exchanges now.

People also usually know that, like China, India is developing very fast and there is a perception that India wants to have some competition with China. One

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day, a taxi driver even asked me when India will be able to catch up with China. I told him maybe not in the near future. The gap between China and India is still wide. Both China and India are performing quite well, but the rate of growth of GDP in China is at least 1 to 2 percent higher than it is in India.

**Journal:** In this issue, Arvind Panagariya contends that India is going to catch up and overtake China economically. Do you agree?

Cheng: In my view, India will definitely catch up with China one day as far as the rate of growth is concerned. China is an ageing country; big cities like Beijing already have an ageing society. In the next ten to twenty years, India will still have an increase in their labor force. China's population will increase a little in the next ten years, but after 2020 our labor force will be decreasing year by year. This is a big danger for us. At the same time, India's population will still be increasing and, by 2045, India will have the largest population in the world, followed by China.

For the near future, I think China's rate of growth will continue to be fast. China's manufacturing industry is much more advanced than India's. Also, foreign investment in China is much bigger than it is in India. For example, in 2010, China had around \$100 billion of foreign investment. India is suffering from a very big deficit in its trade with China—in 2009 it reached around \$17 billion. Indeed, this is one of the main problems between China and India: how to solve the trade deficit with India.

**Journal:** How does China view India's relationship with the United States? Does China view the India-U.S. relationship as a threat?

Cheng: I think, frankly speaking, we are somewhat concerned about the cooperation between India and the United States, especially in the sphere of security; for example, the nuclear program and the resumption of military sales to India.

But I do not think that this is a serious concern. We consider India to be pursuing its independent foreign policy, to have good relations with all the major powers, and we also still attach much importance to China-U.S. relations. So in this case, we see it as a kind of preventative diplomacy—a reaction to the belief that China may be stronger and India and the U.S. may feel threatened. But we consider that if China can have a good relationship with India and the United States, then this factor will not be very significant.

The China-U.S. relationship, the China-India relationship and the India-U.S.

relationship are inclusive of each other. Balance is very important; if one country can have good relations with the other two, then this country will have a very advantageous position. If one country has good relations with one country and not the other, then it will be disadvantageous. If one country has a bad relationship with both countries, then it will suffer from a very disadvantageous position. Now, we can see from the three visits—President Obama's visit to

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India last year, followed by Premier Wen Jiabao's visit to India in December, and now followed by President Hu Jintao's visit to the U.S. in January—it is a win-win-win situation and they all enjoy a lot of space for maneuver.

**Journal:** Indeed, these high-level visits have been very successful, but there is a lot of suspicion and mistrust in these relationships. Do you think China views the U.S.-India relationship as a way to counter China's rise?

Cheng: Balance is more the correct term. The United States would like to have a good relationship with India to balance the growing rise of China. Both India and the United States may have some kind of apprehension about China's rise. China's policy is to reduce this mistrust through more and more exchanges. That's why India and China have agreed to more regular visits between their leaders. In the past, the prime minister of India would only pay one visit to China and the premier of China would only pay one visit to India. Now, Premier Wen Jiabao has already paid two visits to India. Likewise, after Prime Minister Manmohan Singh's visit to China this year, it will also be two visits from India to China.

**Journal:** Does China support India's bid to become a permanent member of the UN Security Council?

Cheng: We were all very surprised when President Obama announced that the United States would support India in its bid. Usually, China has adopted a very cautious policy on the reform of the UN Security Council. We do not think it is very appropriate for China to mention any country by name for support. In public announcements, we have never named any country from any continent for China's support. For India, it is already an exception that China has shown support to a

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certain degree by saying that China understands and welcomes India's desire to play a bigger role in the Security Council. Of course, India is not satisfied yet and wants more from China. But since we have this very cautious policy, we have to ask India to be satisfied with the extent of our support. In Asia, Japan and Pakistan also have this desire and we thus have to be cautious.

**Journal:** India has pressed China to condemn terrorist activity originating from Pakistan, and to use its influence to persuade Pakistan to crack down on terrorism within its borders. Does China see itself as having a role in this regard, or does China consider this to be an intrusion on Pakistan's sovereignty?

Cheng: Whenever there has been a terrorist attack in India, like the attack on the parliament and the attacks in Mumbai, China has firmly condemned these acts of terrorism, be they from Pakistan or not. We also have expressed our friendship to our Indian neighbors. After the Mumbai attacks, China even sent our vice foreign minister to both Pakistan and India to persuade them to settle their problems peacefully. By that time, they were on the verge of a war. It was very serious. I think the U.S. also did very well to calm the situation. In that way, I think China and the United States have much in common in trying to calm this problem.

But of course, China will not intervene in whatever measures Pakistan takes to crack down on these groups—these are entirely the internal affairs of Pakistan. China and Pakistan have the same view in dealing with terrorism: not only do we have to use military means, but we also have to have political settlements on the origins of terrorism. Between India and Pakistan there is the problem of Kashmir, which they have not yet settled and which is considered one of the origins of terrorism on Pakistan's side. But whenever we mention this, our Indian friends get a little angry and insist that Kashmir has nothing to do with it.

Journal: Can you expand on China's policy of non-intervention?

Cheng: This is the case not only with Pakistan but also with North Korea and Myanmar. People in the United States sometimes exaggerate the role China can play. Do you think China can command other countries like North Korea to do certain things? When North Korea recently conducted their nuclear tests, China did not know beforehand. People also think China can ask Myanmar to do certain

things, but it is not possible. We do give friendly advice to the Myanmar government—that they should have national reconciliation and so forth—but we cannot say "you should release Aung San Suu Kyi," unlike the United States who can say that.

In China, we usually do not agree with the sanctions employed by the West against North Korea and Myanmar. We think it's better to solve these problems through peaceful negotiations. All of these countries are sovereign nation states; they don't accept any foreign interference.

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Journal: China and India recently celebrated the 60th anniversary of their diplomatic ties. Yet real engagement between the two countries has been primarily economic, with very little progress on geopolitical issues such as the ongoing border dispute. What are the prospects for resolving the border dispute?

Cheng: When Premier Wen Jiabao was in India he said quite clearly that we need patience and time for the final settlement of the border dispute. Maybe it can't be settled right now. The McMahon line is a real problem. None of the previous governments in China have legally accepted this line. After new China was founded, our government respected it and did not cross it—this Line of Actual Control. The land south of this line, Arunachal Pradesh, has been under Indian administration for about fifty years or so. When we have a final settlement, for any Chinese leader to finalize this, we hope that the Indian side can agree to some kind adjustment of this line. Since this land has been under Indian control for so many years, India is very reluctant to make any readjustment. The only way out in the future is to find a point of compromise. On the sensitive questions like the border issue, neither side should adopt an emotional approach. On a positive note, there are already three agreements for both sides to abide by the Line of Actual Control without any violation, pending the final settlement. The border issue has not been settled, but peace has been maintained there for many years. The Indian foreign

minister said this is the most peaceful border in the world. It is true.

Of course you may be right to say that economics and trade are the brightest of spots in our relationship. That is true. When I was ambassador in India from 1990 to 1994, trade between the two countries was as small as \$200 million. Last year it was \$60 billion. Both leaders have set a target of \$100 billion by the year 2015. China has already surpassed the United States as the number one trading partner with India. The gap between China and the United States in their trade with India will become larger.

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**Journal:** All of this growth requires energy. Are China and India in a race for resources? How do you view Sino-Indian energy competition?

Cheng: By energy we still have to mean petroleum because India has to import about 70 percent from abroad, and China about 50 percent. Maybe in some places we occasionally have competition to develop oil fields. But we also have cooperation in

many countries already, for instance in Canada, Sudan and Colombia. We know very well that if there is tough competition between China and India the price will be even higher. Last year, China and Myanmar agreed to build a pipeline between western Myanmar and China's southwest province. India has also invested to some extent in this pipeline, as has the Republic of Korea.

**Journal:** What role do India and China have to play in combating climate change?

Cheng: I think both countries are already making a number of efforts to try and use green energy. But the problem is that this is still limited; it needs time. In China, we are producing many electric cars, but it is very costly. In the meantime, we still have to rely on old energy like coal and petroleum, and China compared to India is even more dependent on coal.

China and India take the singular stand of differentiated responsibility on climate change. Both countries consider that developed countries like the United States should have specific targets. But the climate change problem for all countries is very serious. I think China and India know this very well, so I think our next generations must become more flexible on cooperation between the developed and developing countries. Otherwise, disaster will come very quickly. For China and India, we know that we need to bear our own responsibility. No country can ask others to bear the responsibility.

**Journal:** China is growing political, economic and military ties with many of the smaller countries around India, which India views as its backyard. Does China have any reassurance policies which it hopes to use to mollify India's concern?

Cheng: Much of the cooperation with these countries should not worry India because compared to India's influence, China's influence is much more limited—for example in Bangladesh and Sri Lanka.

There is some talk that China is practicing a kind of "string of pearls" strategy in the Indian Ocean, which I think is entirely false. It is very interesting to know

that high-ranking officials in India have said that there are no Chinese military bases in the Indian Ocean at all.

China's policy is to have a long-term, stable and overall relationship with India. We don't feel any stress with regard to India, in part because China is militarily stronger. Why should we try to encircle

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India? Also, these neighboring countries are all independent countries with independent foreign policies. They have their own relationships with other major countries including India. For example in Myanmar, where I was also an ambassador, after the 1988 takeover by the Myanmar army, at first India did not have a good relationship with Myanmar because India supported Aung San Suu Kyi. But since the early 1990s, India has readjusted its policy and now it has good relations with the military government. Since then, India-Myanmar relations have progressed very fast and now they are at par with the China-Myanmar relationship. In some respects, Myanmar-India cooperation even exceeds that of Myanmar-China cooperation, like with the joint operations against the rebels there.

In fact, India has the best strategic position in the Indian Ocean—it's like a big dagger penetrating the heart of the Indian Ocean.

Journal: Are China and India destined for peaceful coexistence or conflict?

Cheng: I don't think there is any chance of conflict. The turning point was actually in 1988 when the Indian prime minister Rajiv Gandhi visited China. All relations at different levels, including the summit level, were restored. Before that there was no exchange of visits at the summit level. This relationship is quite stable. The only difficult part is the boundary issue, but I think both sides will still ask their special representatives to continue their work and work toward a compromise. I'm quite optimistic. Additionally, both countries have nuclear weapons, so there really is no possibility of any kind of conflict.