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**SINO-INDIAN COOPERATION IN THEIR BORDER AREAS:
RATIONALE, CHALLENGES AND OPPORTUNITIES**

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Working papers are in draft form and are works in progress that will eventually be revised and published. This paper has been prepared to facilitate the exchange of knowledge and to stimulate discussion. The text has not been edited to official publication standards and ICS accepts no responsibility for errors.

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INTRODUCTION

As Asia's two most important powers and as neighbours, relations between China and India at their borders are just as important as their bilateral relations in other dimensions. As two ancient civilizations trying to fit into the modern Westphalian nation-state framework, the two countries have run into several problems. Chief among these in the bilateral context is, of course, their boundary dispute. But equally important, adherence to modern concepts such as sovereignty, have also resulted in an uneasy, and often violent, relationship between the centre and the border regions in each of these countries. In the post-liberation era, China and India have both attempted to introduce economic development and bring about a revolution in social relations, everywhere within their respective borders. While this process is still ongoing, it is noteworthy that it is in their border areas that political, economic, and social development in both China and India have been particularly lagging. What explains this reality? Why are regions that were once bridge connecting peoples, cultures and civilizations, and centres of trade and commerce now been reduced to peripheries in both national and global imaginations? Why are these regions today almost entirely dependent on economic subsidies from their respective central governments and unable to become fully part of their national political mainstreams? China and India have problems in their border regions that have their own specific characteristics but these problems are obviously linked in many ways. What are the lessons that China and India can learn from each other's border development policies? And can the two countries therefore, develop a joint approach to the problems of their border regions that respects both current realities and past heritage? This paper will attempt to address these and related questions.

RATIONALE

China and India must cooperate for both global as well as internal reasons. China and India are Asia's two largest powers and neighbours to each other. They are the most populous countries in the world and still have a large part of their respective populations that have a poor standard of living. It is therefore, their responsibility both to themselves and to the rest of the world that they work to improve the living conditions of their people and of their poorer neighbouring countries in South Asia, Central Asia and Southeast Asia.

Sino-Indian cooperation in their border regions is also necessary for other internal reasons, the main one being one of ensuring political stability in their border regions. Not only are regions like Tibet and Xinjiang in China and the northeast of India poorly developed, they are also the sites of political instability and

disaffection. There are a lot of historical reasons for why they are so but from the point of current policy, it must be asked in Beijing and New Delhi, if some of these problems cannot be resolved or at least reduced by allowing the people of the border regions greater freedom of action vis-à-vis their border regions whether with Central Asia or India as in the case of Tibet and Xinjiang in China or with China and Myanmar as in the case of India's Northeast. It must be remembered that these regions were once bridge connecting peoples, cultures and civilizations, and centres of trade and commerce but now have been reduced to peripheries in both their respective national and global imaginations. Today, these regions are almost entirely dependent on economic subsidies from their respective central governments and unable to become fully part of their national political mainstreams.

Perhaps, the solution lies in giving these border regions greater initiative and freedom to interact with their counterparts across the border in China or in India. It must also be remembered that in many cases, the boundaries between China and India and between each of these countries and other countries often divides people of the same ethnic group, culture or history. It therefore, seems reasonable to assume that such divisions with their political, social and economic consequences form part of the reasons for the sense of dissatisfaction and lack of development in these regions. In this day and age, central governments cannot take upon themselves all the burdens of providing economic and social development but have to involve the private sector as well as civil society groups. It stands to reason therefore, the instability in Chinese and Indian border regions will also require the respective central governments to partner with local border communities in developing new Silk Routes, border cooperation zones, transnational economic corridors and so on.

CHALLENGES

The challenges of course, are many.

For one, both China and India have central governments that are still consolidating their rule and administration over vast parts of their territories, and therefore, have strong centralizing tendencies. This is particularly, unfortunate, because countries of one billion plus population each will require a great degree of decentralization and devolution of powers, in order to ensure effective governance and administration.

Two, moving on to regional economic cooperation, while China and India are interested in economic cooperation, their points of contact are their underdeveloped border regions which have limited or poor human resources, difficult weather and terrain and are economically underdeveloped. Therefore, regional or sub-regional economic cooperation such as for example, the BCIM (Bangladesh-China-India-Myanmar) Regional Economic Cooperation Forum often have difficulty to achieve full potential or are slow in taking off.

Three, and related poor physical connectivity in the form of bad or non-existent road and telecommunications infrastructure mean that border area cooperation is often caught in a vicious cycle where we need one for the development of the other and neither happens.

Four, for bilateral and regional economic cooperation to take off in the border areas, we also need a standardization of rules and regulations on both sides. For example, China and India have very different legal systems and have commercial and banking regulations at very different stages of development. Then there are technical and logistical issues such as the fact that drivers in both countries drive on different sides of the road or that there is no easy convertibility between the Chinese Renminbi and the Indian Rupee. These are areas that require a great deal of attention.

Related to this is the fifth problem of differences in language and difficulties of communication. Despite being neighbours to each other and having fought a war, China and India still have too few people that can speak each other's languages. Without a common language of communication, economic exchanges will remain limited and the more difficult legal necessary for commercial cooperation cannot take off.

Six, talking about conflict, a key problem that continues to undermine Sino-Indian cooperation in their boundary region is, of course, their boundary dispute. New Delhi is wary of Chinese military strength in the border areas and conscious of its own deficiencies and therefore, is not very encouraging of border cooperation. Beijing, meanwhile because of the situation in Tibet and Xinjiang, does not support the exchange of tourists and pilgrims between Tibet and India or between Xinjiang and India, thus losing a golden opportunity for both people-to-people exchanges and tourism development.

Seven, while China and India are two large countries, their cooperation in the border regions must of necessity involve their poorer, smaller neighbours such as Myanmar, Nepal, Pakistan and Afghanistan. And it

is important to do so sensitively, and in a way that is win-win even for these smaller powers. This will be a big challenge for Beijing and New Delhi, given current geopolitics.

OPPORTUNITIES

From the challenges above, also arise several opportunities.

To start from the last, what will China do in Afghanistan once the United States withdraws from there next year? How will China and India protect not only their investments but their physical security from the threat of religious extremism? Can China and India cooperate not just politically but also in terms of joint development of economic projects in that country? Can China and India cooperate in terms of economic development of Pakistan?

Second, cooperation in their border areas could provide China and India despite the boundary dispute could possibly create the goodwill and development required to reduce the importance of the dispute itself. In other words, the dispute might become less sensitive and therefore, easier to resolve.

Third, Sino-Indian border areas are also comparatively unexplored in terms of their culture and history. For example, there are many minor languages spoken in these areas which might have similarities across borders and which might have changed slightly or substantially in the years of separation from each other. Therefore, Chinese and Indian scholars could cooperate in joint research projects of ethnography or anthropology, etc.

Fourth, and related, there are many other domains where joint Sino-Indian scientific studies could be carried out namely in the earth sciences, hydrography, environment, and ecology, of these border areas. These studies could also be tied in to cooperation in preventing wildlife poaching, protecting the environment and so on.

Fifth, for sustainable regional economic cooperation, China and India need to create mechanisms along the lines of the GMS between China and the Mekong river basin countries. This exercise will be complicated but if officials of the two countries can start working together, they will also increase their understanding of each other and this itself can be a confidence-building mechanism.

Sixth, the fact that China and India have over six decades each of experience trying to develop their border regions is also a reason for them to share their experiences including both successes and failures, and to learn

from each other. India certainly, has plenty to learn from the Chinese implementation of their Western Development Strategy, while the Chinese might learn a few things from the Indian approach to political accommodation in the form of negotiations with violent insurgent and other disgruntled political and social groups.

CONCLUSION

From the above, it is clear that China and India have a long way to go in terms of fulfilling their destinies as world powers and of satisfying the aspirations of their peoples. Talking purely at the geopolitical level, it might look like China and India are headed for competition, but being neighbours need not always result in conflict and dispute. Indeed, the fact that they cannot change geography can also lead the leaderships of the two countries to use the reality of the contact through their border regions as a reason for a cooperative and peaceful relationship.

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