

ABSTRACT

of the dissertation «China's Contemporary Social and Economic Interaction with India in Border Areas: Models and Challenges»
submitted for the degree of Doctor of Philosophy (PhD)
specialty «6D020900 –Oriental Studies»
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Abstract. The thesis by analysing multilateral, bilateral and border relations between China and India aims to show to what extent implementation of global, regional and bilateral initiatives impact socio-economic interaction in the border areas.

The relevance of research. China and India are two adjacent civilizations that are among the most populous and fastest growing economies in the world. At present, both are influencing the global order and contributing to discussions on the emergence of a new wave of globalisation. Inspired by the concept of the Silk Road, China combined a number of pre-existing projects and commenced an ambitious development 'initiative' to provide a strong link between domestic imperatives and global orientation. China is facilitating several mass investment projects with a large number of participants, including the launch of the Belt and Road Initiative that became a symbol of Chinese-led globalisation. For India, connectivity also became a key driver for developing its domestic and global ambitions. Despite having relatively less economic power, India began promoting its alternative connectivity through the projects such as the Blue Economy Vision 2025 and the Asia-Africa Growth Corridor.

Institutionally, these initiatives are underpinned by the establishment of the Asian Infrastructure Investment Bank (AIIB) and the Silk Road Fund within the BRI, Contingent Reserve Agreement and New Development Bank (NDB), both under the BRICS mechanism. They have contributed to the creation of structures that are more inclusive of, and oriented towards, a Global South international order.

Economically, these ambitions are well supported. China today is the second-largest economy by nominal GDP, while India is the sixth largest, albeit the IMF projecting it to become the fifth-largest economy by 2019. In a short-term scheme, according to the UN's World Economic Situation and Prospects (WESP) 2019, India will continue to remain the world's fastest-growing, largest economy at 7.6% GDP growth in 2019-2020. This will position India ahead of China, which has the forecast to grow 6.3% during the same period. Thus, China and India's bilateral relations, as well as their foreign affairs became globally significant.

Nevertheless, bilateral China-India relations is far from being stable and friendly, since the contemporary period of China-India relations experienced different stages of interaction. Beginning with the slogan "Hindi Chini Bhai Bhai" (India and China are brothers), the relationship was spoiled in 1962 with the border war that still has a decisive impact on the formation of bilateral politics. Even though a rapprochement in relations softened their hostile attitude towards each other during the

1980s, and the economic liberalisation opened new horizons of economic partnership, which led to a present stage of relations full of competition and rivalry, China-India relations still have a number of issues that complicate fully-fledged bilateral cooperation. Among these strategic discrepancies are unsettled border issue, Dalai Lama's asylum and activities of Tibetan refugees in India, in addition to Pakistan, which has always been a factor in China-India relations. In particular, the long-lasting territorial dispute in the Eastern and Western sectors deserves special attention, as the border issue is among the major obstacles of the bilateral relations that impact the development of the China-India cooperation. As a consequence, these strategic divergences led to the ongoing frictions, including the China's opposition to Indian membership in the Nuclear Suppliers Group, lack of support for the candidacy of India to be included as a permanent member of the UN Security Council and annoyance on Dalai Lama's activities - including his visit in April 2017 to Arunachal Pradesh. Undoubtedly, these contradictions directly and indirectly influence the development of the bilateral cooperation, especially at the local level.

Meanwhile, the interaction between China and India in their own borderlands lacks significant attention. We used to discuss China and India as global and regional powers, which attempts to play a major role in global politics. Both are using emerging institutional mechanisms, including their connectivity visions, yet their own connectivity at the common border areas are not maintained. Therefore, the thesis aims to show by analysing various levels of interaction, the model and factors that challenge respective socio-economic interaction in the border areas.

Accordingly, the main hypothesis is that at multilateral and bilateral levels, the Sino-India relations are comprehensively developed compared to the interaction in the borderlands. Even though, stability and security of the borderlands are vital for regional and global ambitions of both, socio-economic development of borderlands remains underdeveloped. Nevertheless, historically, the interaction in these areas existed and flourished, when a natural social exchange between the tribal societies was provided, which simultaneously maintained a sufficient level of socio-economic development of the border areas. At present, both consider conditions in the borderlands from the political prism, rather than socio-economic, therefore even though both understand that the settlement of the borders is a political issue and only certain political motives could settle the border in the future, none of them care about the interaction and connectivity of the borderlands.

For Central Asian states, which perceive China as a neighbouring power and India that includes Central Asia in its "extended neighbourhood", based on its Connect Central Asia policy, it is important to understand the essence of China-India bilateral relations, their vulnerable issues and strategic visions. China and India are among the largest trading partners of the Central Asian states and both have deep historical and cultural roots with the region. Therefore, at the bilateral level, China and India present strategic players in the region in a number of aspects, which proves the need for an in-

depth study of the China-India model of interaction. At the multilateral level, since the last expansion in 2017, India became a member of the SCO, in addition to China and Russia, thus the SCO became the main platform for interaction of Eurasian regional powers. Moreover, with Russia's proposal to establish a Big Eurasian Partnership with EAEU, SCO, and ASEAN, the integration will provide greater visibility of the Eurasian region affairs. This cooperation will give the Central Asian states an opportunity to manoeuvre between major powers based on their interests. Consequently, taking into account the geopolitical shifts in the global political stage, which is argued as the "power diffusion" or the globalisation 2.0, the significance of the regional powers as China and India, is expected to increase in the global governance, on which Central Asian states have their own promises and interests. Accordingly, it is vital to explore and understand the essence of China-India relations from various perspectives.

The purpose of research is to examine China's interaction with India in socio-economic sphere in the disputed areas during the contemporary period, and to define the models and challenges of this interaction. Therefore, the study has following **tasks**:

- To analyse theoretical and conceptual framework of the China-India relations;
- To analyse the concept of the border and value of this disputed borders for both China and India from historical, political and socio-economic perspectives;
- To examine to what extent the multilateral and bilateral institutional efforts of China and India influences to the improvements in the socio-economic interaction in the disputed border regions;
- To provide a historical analysis of the roots of the boundary issue and evolution of the dispute, which underpins the politics of states on the border interaction;
- To analyse the economic interaction between China and India to assess their level of economic interdependence;
- To examine institutional and individual efforts of leaders towards the global governance and their role in the process of globalisation 2.0, and to assess to what extent these measures influence to the socio-economic conditions in the border regions;
- To examine the types of interaction in the boundary areas and impact of militarization to that interaction;
- To evaluate internal and external factors that influenced the formation and development of the positions on the territorial dispute and the overall bilateral relations;
- To describe perceptions in China and India on the China-India relations in general and concerning the border issue.

The subject of research – China's multilateral, bilateral and border relations with India during their contemporary history.

The object of research is China's socio-economic interaction with India in the disputed border regions.

Theoretical and methodological basis of research is based on the international and local scholars' research on general China-India relations and on the border issue

in the China-India relations. In the thesis, the historical overview; comparative analysis (of political, economic and social development of China and India); systematic analysis of the official governmental documents; in-depth interview with academics, scholars and practitioners of the studied countries; media-content analysis; participation in discussion meetings within the frames of local research programmes and international fellowships were used.

The theoretical framework is based on a comprehensive approach. With the emergence of China and India as powerful actors in global governance, it calls the need to theoretically understand this trend. However, the existing analysis of international relations (IR) theories can suggest an only fragmental understanding of this process. Therefore, this thesis uses different approaches of Western IR in order to explain various periods of interaction between China and India. Particularly, the new globalisation trend, which explains the shift of global power towards Asia, has a more coherent approach towards the Asian view of IR. Meanwhile, the economic interdependence, as well as the value of territory played a decisive role in determining bilateral relations between China and India during the XXth century. Therefore, by analysing the IR and Asian IR theories, the study uses a comprehensive approach by combining the theories of globalisation, economic interdependence, and territorial disputes. In addition, the macro-level IR theories were applied fragmentary.

The information base of dissertation comprises of the materials from the governmental and intergovernmental sources, official working group statements, bilateral commissions, agreements, protocols, media statements, official speeches, statistical data from governmental and non-governmental sources, media speeches and announcements as a primary data in the thesis. Monographs, research journal articles, memoirs used as secondary sources in the research.

The level of research development of the problem. Due to the political and economic rise of China and India, the international community has carefully examined their relations. However, scholars use different concepts in evaluating the China-India relations, as well as in the border issue, therefore, the scholarship that focus on the China-India relations, particularly within the border issue perspective, are divided into sixth groups.

In general, international and Indian scholars do a major research on the China-India border relations. The studies of Chinese scholars are not relatively widespread due to several reasons: firstly, because of the outcomes of the 1962 war, when China easily won the war, the border issue became insignificant issue for China in relations to India, comparing to Indians, which consider it as among the most sensitive issues in bilateral cooperation. Secondly, when the archival documents became open after the 50-years of prohibition, the juridical basis of Chinese position was justified, therefore Chinese scholars do not need to search a verification. Therefore, the thesis mostly based on the prominent classical readings of international and Asian scholars, which comprehensively studied the border perspective of China –India cooperation.

In addition, because of the limited study, on the border issue in China-India relations in the local literature, the thesis aims to provide an international perspective on the China-India issues, by emphasizing controversial approaches and their consequences in policy implementation, as well as to explain roots of the positions of two Asian countries. Thus, the study aims to fulfil the existing gap of limited representation of the Sino-Indian border issue in the local literature by introducing an international perspective.

The scientific novelty of this research is in an attempt to develop an analytical picture of the China-India interaction in the borderlands through the analysis of all levels of China-India interaction. The study by providing a comprehensive analysis of China and India interaction has developed several new approaches, particularly:

- The thesis theoretically framed the ongoing China-India relations in the border areas through the combination of the elements of theories of globalization, economic interdependence and the value of territorial disputes;

- The study by scrutinizing China-India relations from the multiple levels, such as global, regional, bilateral and border levels formulated a relatively new perspective that demonstrates the extent of socio-economic interaction in the borderlands in comparison with other levels of interaction;

- The historical analysis of the root of the border issue explained the positions of both sides and perspectives for their decisions on the border interaction, which is not presented in the local historiography;

- The analysis of a number of factors, including the geopolitical factors, key regional issues, and leadership perceptions presented the background of the decision – making process on the border issue;

- Examination of individual perceptions of the present leadership and academics presented the picture of the development of the border interaction in the near future.

The main provisions (results) to be defended:

1. Evolution and development of China-India relations in general and on the border issue require the complex theoretical approach that combines the elements of theories of globalization, economic interdependence and the value of territory.

2. A comprehensive approach to the China-India relations from the multiple levels, such as global, regional, bilateral and border levels, shows to what extent the other levels of relations influence and difficult the socio-economic interaction in the borderlands. In addition, it was revealed that the socio-economic interaction in the border areas could not be studied without the consideration of peculiarities of other levels of interaction.

3. Different approaches of both countries on the concept of the border and the border interaction are deeply rooted in history. Historical background, such as the emergence of the territorial dispute, 1962 border war and positions on the border issue were among the major reasons for the limited socio-economic interaction in the borderlands that was interrupted after the independence.

4. It was revealed that key regional issues such as the China-Pakistan-India triangle, Tibet issue and the Cold War geopolitics influenced the development and formation of China-India border relations.

5. By examining individual perceptions of leaders during the present times it was justified the hypothesis that the priorities for the global leadership of both China and India are among the major factors that influence the development of conditions in the border areas and interaction between the locals in the borderlands in a short-term perspective.

The practical significance of the research lies in the necessity to understand bilateral relations between Asian giants, which have a strategic partnership and comprehensive relations with Kazakhstan (China from 2005 and India from 2009). China is the second largest trading partner of Kazakhstan and India is among Kazakhstan's top ten trading partners. Furthermore, Kazakhstan works with China and India within multilateral platforms and mechanisms such as CICA and SCO. Kazakhstan by following its multi-vector foreign policy had integrated its national program Nurlı Zhol with the Chinese BRI and implementing several projects within the BRI, whereas with India is exploring the potential of connecting through the Kazakhstan- Turkmenistan-Iran railways, as well as through the International North-South Transport Corridor. Hence, based on the foreign policy concept of Kazakhstan, both China and India represent key players in the region, while Kazakhstan's multidimensional strategy lead to a deepening of cooperation with China and India will continue further.

In practice, the importance of the understanding of the China-Indian relations can be shown on the case of Chinese and Indian oil companies' involvement in Kazakhstan. In 2005 and 2013, ONGC Videsh Ltd, the overseas investment arm of India's state-owned Oil and Natural Gas Corporation, was not successful in entering Kazakhstan's oil sector, when it failed to become a shareholder in the development of the Kumkol and Kashagan oil fields, losing both times to the China National Petroleum Corporation. Even though in Kazakhstan, the question was with the obligations of the contracts, in Indian press it caused a wave of negative sentiments as another failure of Indian diplomacy to China. Thus, it is important to consider the peculiarities analysed in the thesis, when engaging with both China and India.

Accordingly, the results of this research could be used in designing regional Asian, Indian Ocean and/or Asia-Pacific policy. In addition, this research's results will help to increase awareness of the nature of China-India relations, especially when negotiating in the multilateral platforms and consortiums. The understanding of the essence of Sino-Indian relations will also help in dealing with other countries as Pakistan, Bhutan, Myanmar and others. Moreover, by connecting historical legacies with contemporary changes, this research will provide a clear understanding of the motives underpinned beneath decisions that can help to anticipate further steps. Also,

the research could be used in developing courses, such as a contemporary history of China and India, the geopolitics of Asia and an international relations of Asia.

Approbation of research results. During this study, the author had won three fellowships, in addition to the research internship within the doctoral programme. The field works and research internships during the study were:

1. Fudan Fellowship Programme, Fudan University, Shanghai, China.
Fudan Fellow in International Politics (Chinese Politics and Diplomacy) - May - June 2017.

2. Fellow of the PhD Support Programme "The EU, Central Asia and the Caucasus in the International System" (EUCACIS) by the Institut für Europäische Politik (IEP) and the Centre international de formation européenne (CIFE) –May 2017- October 2019:

- 1st PhD School – Berlin, Germany, July 2017;
- 2nd PhD School – Berlin, Germany, February 2018;
- Research Training Stay in Berlin at CIFE and IEP – February- March 2018;
- 3rd PhD School – Tbilisi, Georgia, August 2018.

3. ITEC programme. Within the ITEC fellowship, a fieldwork was at the Jawaharlal Nehru University, New Delhi. The ITEC programme was in Certificate Course in Strategic Management for Emerging Markets, International Management Institute (IMI, Delhi), India - August– September, 2017.

4. Doctoral internship in the Centre of Development Studies, the Cambridge Central Asia Forum, University of Cambridge, United Kingdom - October 2015 - April 2016.

The research findings were presented within the framework of fellowships at the research seminars. In addition, basic provisions and research results were presented at 8 international conferences.

Publications. There are 9 publications, including 3 articles in the journals, recommended by the Committee of Control of Science, 1 article indexed in the Scopus, 2 chapters of the book, 3 proceedings of the international conference. Two papers in the international journals were accepted and are in line to being published in late 2019.

Structure and volume of the thesis. The structure of the thesis is designed to cover three evolutionary periods of relations: the historical perspective of pre- and early independence years, the contemporary period and the present stage.

The thesis consists of an introduction, five chapters, conclusion, list of references and appendices.