India-China Informal Summit, Inter-Korea Summit: Assessing the Outcomes

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INTRODUCTION

The two-day ‘informal talks’ that Prime Minister Modi had with President Xi Jinping on 27th and 28th April 2018 overlapped the talks between the North and South Korean Presidents at Panmunjeom on 27th April – both landmark events. While the future trajectory of China is impacted by both, for India the ‘informal talks’ held more importance. Yet the outcome of both talks impacts the future trajectory of Indo – Pacific Region (IPR).

The main takeaway of the Wuhan talks was that India and China agreed to work together on an economic project in Afghanistan, which would show that India and China can cooperate and not just compete in the neighbourhood. Presently, both Indian and Chinese interests in Afghanistan differ considerably. It would, thus, be interesting to watch which economic project(s) India and China would jointly execute.

The other important takeaway the aspect of ‘Strategic Guidance’ to the respective defence forces and strengthening of existing mechanisms to maintain peace and tranquillity along the border areas is worth tracking carefully. It is worth noting that it has always been the PLA that has engineered a ‘stand-off’/ ‘face-off’ and never the Indians. Will this result in Xi Jinping restraining the PLA? The rest of the ‘statements’ were generic in nature and routinely issued post such meetings between leaders of major/
emerging powers – terrorism, climate change, trade, strategic understanding, et al.

However, the ‘Panmunjeom Declaration for Peace, Prosperity and Unification of the Korean Peninsula’, signed by the Presidents of North and South Korea has far-reaching geo-political and geo-strategic impact in Asia. According to the declaration, the leaders of North and South Korea agreed to work together on ending the Korean War, beginning a new era of peace and sharing commitments in ending divisions and confrontation by approaching a new era of national reconciliation, peace and prosperity and improvements to inter-Korean relations. This declaration implies re-unification and removing nuclear weapons from the Korean peninsula at some later date.\(^2\)

The implication and understanding of the term ‘denuclearisation’ in both the Koreas and the US are very different, and the term ‘ending war’ has its own connotations and implications. This would surely resonate on the forthcoming meeting, likely in May/ Jun this year, between President Kim Jong Un and President Donald Trump.\(^2\)

**THE BACKDROP OF BOTH THE TALKS**

To gain some clarity and assess the outcomes of the talks, there is a need to analyse the overarching geo-strategic umbrella under which such talks were necessitated. These would indicate the likely ‘core interests’ of each side, and any other power in the background, thereby providing a better picture to assess these events.

**The Wuhan Informal Talks**

Unconfirmed reports have emerged that the Chinese had approached the Indians for the ‘Informal Talks’ during the 9th BRICS summit at Xiamen from 3rd – 5th September last year. While the Chinese were still smarting due to the Doklam Fiasco, there were geo-political, geo-strategic, and geo-economic uncertainties that were impacting China’s internal stability and external outreach. Xi was then in the process of consolidating his power within China – that which he has now successfully done, and thus made all the correct affirmations, as behoved a leader of International standing, at Xiamen. Whether he ‘walked the talk’ is a different matter altogether, as can be evidenced that China again blocked a bid at the United Nations in November 2017 by the US, France and Britain to list Maulana Masood Azhar, Chief of Pakistan-based Jaish-e-Mohammed (JeM) militant group, as a global terrorist, citing a lack of consensus among the members of the UN Security Council.\(^3\)

It may be recalled that the Xiamen Declaration had listed the JeM, amongst others, as an International Terrorist Organisation.\(^4\) A clear indication that despite affirmations and declarations, China would not compromise on its ‘core interests’ – in the

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instant case, support Pakistan in the use of proxies as a state policy to impede India's rise.

Geo-politically and geo-strategically IPR has been in a state of flux. While China has been pushing for its sphere of influence in East China and South China Seas at the expense of the USA, the geo-economic squeeze faced by Myanmar, Sri Lanka, Djibouti, Laos, Cambodia, and Pakistan made many a small country in the region rethink their 'interests' and review their commitments to the Belt and Road Initiative (BRI) – the Chinese engine for growth. The stalling of many of its projects, even within its flagship the China-Pakistan Economic Corridor (CPEC) was soon to follow, but the indicators were already present. The placing of Pakistan on the 'watch list' for terror financing by the global money-laundering watchdog, Financial Action Task Force (FATF), on 23 February, with a full possibility of it going on the Grey / Black list in the Jun review seems to have further impeded the CPEC.

The Chinese electronic giants, ZTE and Huawei, were being investigated by the US Justice Department for breaching UN sanctions and selling equipment (with US technology and chips) to North Korea, Iran, Syria, Sudan, and a few other countries. The US was threatening trade sanctions for perceived skewed restrictions and protectionism by the Chinese leading to excessive trade imbalance. These would further impact the already slowing Chinese economy gravely. China had been keen to utilise its economic might to gain geopolitical and geo-economic space in the IPR. As such, these would inhibit its strategy of 'an integration of the Comprehensive National Power (CNP)' of the 'Neighbourhood' with itself, in a step by step approach – an umbilical connect that would not be easily disrupted, a reshaping of the regional economic and security architecture with 'Chinese Characteristics'.

It would have repercussions within the Chinese Communist Party (CCP); with the 19th Congress fast approaching Xi's push to gain absolute control of the CCP and China could face stiff opposition. Economic growth and stability was the CCP's covenant with the people of China for them to accept 'One-Party' rule. The slowing down of economy could have wide reaching consequences within the society, fuelled by Xi Jinping's push for consolidation of power through purges of his opponents under the ambit of the anti-corruption drive.

Concurrently the North Korean stand-off with the USA was also gaining traction. Under this ambit, it was essential for Xi Jinping to gain time by appearing to soothe relations with India and make correct posturing at the International level to appear to be a statesman. Geo-politically, it also suited India to accept these talks. The Wuhan 'Informal Talks' should be seen under this ambit. The overall situation has not changed, with trade sanctions already in place and ZTE on the verge of collapse post USD 1.9 billion fine imposed on it by USA and Huawei also likely to face sanctions. China today needs India to retrieve some ground geo-economically. As such there is likelihood of the second such 'Informal Talks' in India later, the invite for which was extended by PM Modi.

**Panmunjeom Korean Talks**

Till March this year it appeared that China was controlling the North Korean crisis much to its advantage. It was leveraging the US response, or lack thereof, to show the region that US was an undependable ally. Two events appeared to change the ground situation away from China's control.
In January 2018, North and South Korea agreed to march their athletes together under one flag at the opening ceremony of the Winter Olympics held in February 2018 and to field a joint women’s ice hockey team. South Korea, host of the games, hoped that such a partnership in sports could contribute to a political thaw after years of high tensions. It came even as the prospect of war over the North’s nuclear and missile tests had grown especially acute. In March, the US President Donald Trump suddenly agreed to meet the President of North Korea Kim Jong Un; Trump agreed to meet Kim during a briefing with South Korean officials on March 8, which took all by surprise – even the White House Staff. Then, it appears that China began to pull strings to regain control. Kim Jong Un paid a surprise unannounced visit to Beijing on 27th March 2018, his first outside the country since assuming office. The next day came the surprise announcement, during the high-level delegation meeting of both sides, that the two Korean leaders would hold a summit at the truce village of Panmunjeom, in the demilitarised zone between the two countries, on 27th April 2018. The landmark talks with US President Donald Trump could come as early as May 2018, it was opined.

This orchestration of events by China appears to have been necessitated to regain its place at the high table in any future Korean agreement(s), as the previous two events could have made China perceive to be marginalised.

Orchestration of Timing

Having achieved its primary objective of getting back on the high table of the Korean Peninsula Crisis talks, it seems that the timing of the ‘Informal Talks’ with India was engineered by China to deflect attention. Apparently in the works since the BRICS Summit in September 2017, the announcement on 22 April 2018 caught the world by surprise. Summit meetings, formal or informal, are usually planned months in advance; this was going forward on just five days’ public notice, and would overlap the Korean Summit Meeting. With the US attention deflected towards the Korean Summit and the Indian towards the ‘Informal Talks’, China had placed itself in an advantageous position on ‘interior lines’ (a term borrowed from the manoeuvre theory of warfare) to stage-manage both events to chalk out its future strategy in the IPR.

ASSESSING THE OUTCOMES

The Wuhan Informal Talks

The recently concluded Wuhan Talks have drawn much traction in the Indian and Chinese media. Both sides have rightfully assessed that an incremental approach would be needed to address the extant divergences. The major divergence that emerged immediately post the talks was the differences in the accent of the separate texts issued by both sides after the event. Be it on the issue of Border Management, Terrorism, Trade and Economy, more such Informal Talks, Strategic Autonomy, Strategic Communication, Global Economic Situation, Global Challenges, Closer Development Partnership, Panchsheel, or Culture the statements put out by both sides had marked divergences.

The two key issues that merit consideration are Border Management and the Joint Economic Project in Afghanistan.
The Indian side spoke of “strategic guidance” to their militaries “to strengthen communication to build trust and mutual understanding and enhance predictability and effectiveness in the management of border affairs”. The Chinese statement however only stated, “the two militaries will strengthen confidence-building measures and enhance communication and cooperation to uphold border peace and tranquillity”. The extant agreements, especially the Border Defence Co-operation Agreement signed on 23 Oct 2013, have all the necessary ‘strategic guidance’ needed for peace and tranquillity along the LAC. What new ‘guidance’ would still be needed is open to question. Therein lies the rub. There is already the chatter about less aggressive patrolling, albeit without lowering guard!!

There is no ‘aggressive patrolling’ as such along the LAC from the Indian context; but the ‘aggressiveness’ is more from the Chinese side that has precipitated all the stand-offs / face-offs by abrogating and violating extant agreements. The infrastructure differential permits speedy movement by the Chinese and inhibits Indian movement thereby leading to frequent long-range patrols and aerial reconnaissance to ensure maintenance of sanctity along the LAC. There can be no let-up on this, else China would be successful in its strategy of ‘creeping assertiveness’ here also, like in the Spratley Islands in the South China Sea.

The second very interesting take-away is the ‘Joint Economic Project’ in Afghanistan. Both Indian and Chinese interests in Afghanistan are starkly divergent.

Chinese interests are more economic (natural resources) and to curb the Uyghur militants from fomenting trouble in Xinjiang Province. China’s economic interests are for its natural resources – copper from the Aynak Mines where it has a USD 3 billion lease; it is also eying the Haji Gak iron ore mines and the USD 400 million Oil Exploration deal for the rights to three oil blocks in the provinces of Sari-i-Pul and Faryab in North Western Afghanistan. China is also keen for exploration in the Amu Darya River Basin and in Northern Afghanistan region that contain vast oil and gas reserves, which would reduce the burden of its Malacca dilemma. Its vision for stability in Afghanistan is restricted to curbing the Uyghur Militants and its political entity Turkestan Islamic Party (TIP - erstwhile East Turkestan Islamic Movement, ETIM). Towards that end it seems to have offered to fund and raise an Afghan Mountain Brigade based near the Wakhan Corridor – more to curb the movement of the Uyghur militants into Xinjiang via that route than to assist in stabilising Afghanistan. China’s agenda in Afghanistan is thus limited; it is not considering any grand nation-building project or seeking to determine the complexion of the Afghanistan government.

India, however, seeks the exact opposite. It seeks a stable and a prosperous Afghanistan that is rid of the scourge of terrorism and can seek its rightful place amongst the comity of nations. The economic projects that India invests in are for nation-building and for the benefit of the population. It is therefore no small wonder that Indian assistance is welcomed by one and all in Afghanistan. With this dichotomy, it would be interesting to see the outcome of the announcement of an India-China Joint Economic Project.
Analysis

China appears to be reaching out to India more for its own short / medium term economic gains than for any long term strategic partnership. It needs India to join the BRI, since it could then feed off the vast Indian market for its own economic gains. The pitch for the same was made not once, not twice but thrice prior to the Wuhan Informal Talks – during the visits of the Chairman Niti Ayog, the Foreign Minister and the Defence Minister (the latter two during the SCO Meet). India, of course, has categorically rejected it.

It is surprising that the BRI, which impacts countries and regions, has been enshrined in China’s Constitution and spoken of as the ‘growth engine for China’; as if China controls those regions and countries, and their economic prosperity would be dependent on the doles from China. It is this one act that may come back to haunt China in future.

China has no interest in assisting the rise of India. As such it would extend such sops – ‘Informal Talks’, which could lower India’s guard and assist in China blindsiding it. Nothing much should be read into the statements, until China commences to walk the talk. The first such step could be for China to unilaterally pull back from the Doklam Plateau and pull down the barracks that it has constructed there. But that would seem like asking the sun to rise from the West. This step by China is an apt example of one of its 36 Ancient Strategies that all Chinese Leaders abide by:-

“Strategy 1: Deceive the sky to cross the ocean; to lower an enemy’s guard you must act in the open hiding your true intentions under the guise of common every day activities.”

The other pending issue remains the hotline, akin to what the DGMOs of India and Pakistan have. Post the restructuring of the PLA the issue gets vexed further – which office does the PLA connect with, since the Border Defence Forces are now directly under the CMC. China may not agree to have a hotline between the Joint Staff Department of the CMC and the DGMO of the Indian Army. However, India should push for such a hotline not just with the DGMO but also similarly with the Naval and Air HQ. Concurrently, India should continue with its patrolling policy along the LAC as hither-to-fore. The force modernisation, capability enhancement, and the higher defence organisation restructuring also need to continue apace to ensure that India continues to maintain a credible deterrence vis-à-vis China.

Panmunjeom Talks

In the build up to the talks, North Korea announced a freeze on its testing of all nuclear and ballistic missiles on 20th April 2018. However, soon the reports emerged that the collapse of the testing site may have had more to do with this announcement than any unilateral adherence to disarmament norms.

The Summit meet between the two Korean leaders led to the signing of a declaration that could impact the coming summit meet between Kim and Trump. With this China seems to have cramped US influence in the Korean peninsula to some extent. It remains to be seen how US responds to these agreements. The two leaders indicated towards a firm commitment to bring a swift end to the Cold War relic of long standing division and confrontation, to boldly approach a new era of national reconciliation, peace, and prosperity, and to improve and cultivate inter-Korean relations in a more active manner during the
Summit. The three other major take-aways from the meet are as under:-

- There would be no war and convert the Armistice into a peace agreement. They agreed to completely cease all hostile acts against each other in every domain, including land, air, and sea, that are the source of military tension and conflict. In this vein, the two sides agreed to transform the demilitarized zone into a peace zone in a genuine sense by ceasing, as of May 1 this year, all hostile acts and eliminating their means, including broadcasting through loudspeakers and distribution of leaflets, in the areas along the Military Demarcation Line.

- The two sides affirmed the principle of determining the destiny of the Korean nation on their own accord and agreed to bring forth the watershed moment for the improvement of inter-Korean relations by fully implementing all existing agreements and declarations adopted between the two sides thus far and work towards re-unification.

- They agreed to carry out disarmament in a phased manner, as military tension is alleviated, and substantial progress is made in military confidence-building measures. The second issue of determining their destiny themselves seems more to distance US from the peninsula than China, since North Korea cannot survive without Chinese support. The issue of peace across the demilitarised zone, from 01 May 2018, with ban on loudspeakers and distribution of leaflets impacts the US more as it was a part of its Information Warfare strategy against the North Korean regime. Further, in what manner would the re-unification pan out is a cause for concern since the entire peninsula could slip into Chinese sphere of influence if the US and the West are not careful in their approach.

While much has been made about the ‘de-nuclearisation’ aspect, the Summit declaration is rather vague on the timelines. Further, the understanding of de-nuclearisation by the opposing sides differ as much as chalk and cheese. For China and North Korea, the term implies removal of US forces from the peninsula before a phased disarmament could be considered. However, the US and the West look upon it as the IAEA led disarmament and denuclearisation of North Korea as the first step towards any reconciliation between the two Koreas. With this declaration it remains to be seen what stand South Korea takes.

Analysis

Whatever be the outcome, China appears to have managed to regain centre-stage on the high table of the Korean imbroglio. It remains to be seen if and how the Trump – Kim Summit pans out. The peace agreement reached in the Panmunjeom Talks could be a low hanging fruit that could be achievable in the near / medium term, provided China and North Korea look on it as a positive step.
This is again another apt example of one of its 36 Ancient Strategies that all Chinese Leaders abide by:

“Strategy 19 - Remove the firewood under the cooking pot. (Remove the stick from the axe); when faced with an enemy too powerful to engage directly you must first weaken him by undermining his foundation and attacking his source of power.”

The stopping of nuclear tests has more to do with the collapse of the site than any other consideration. The major worry for China and other nearby nations was the risk of radio-active exposure due to the creation of a ‘chimney’ when Mount Mantap (the nuclear testing site at Punggye-ri, in North Korea’s North West) collapsed that could allow radioactive fallout from the blast zone below to rise into the air. In any case, North Korea seemed to have completed all the necessary tests for its nuclearisation. Thus, this freeze does not have much credence.

**Assessing the Outcomes Beyond**

There is unlikely to be any change to the long term Chinese strategy as envisioned by Xi Jinping under the umbrella of ‘China Dream’. It dreams of re-establishment of the ‘Middle Kingdom’ that would now dominate Asia (not be restricted to East Asia as it was historically) in the medium to long term, and then look at dominating the world - the dream of a ‘rejuvenated and strong China’. However, it disregards the interests of other nations of the region and appears to look on them as vassals. The BRI is the vehicle for it whereby, the accumulated gain would radically alter the geo-economic and geo-commerce balance in the IPR in its favour. It would aim to restrict space for competing nations to isolate this region and continue with its creeping assertiveness on strategic territorial space based on specious ‘historical claims’. These two Summits need to be critically seen in this light, since there does not appear to be any change to China’s stated ‘core interests’.

Yet the challenges abound for Xi, as increasingly countries are having second thoughts on trading their sovereignty for short term economic gains under the umbrella of BRI, a challenge for which President Xi does not seem to have any answers now other than to soft pedal the issue. Xi is determined to show the developing and the under-developed nations that a contrarian model to the Western narrative exists for economic and overall growth – socialism with Chinese characteristics. It sees a great opportunity of expanding its sphere of influence in the IPR (Africa?), where it could sell this narrative and so realise its ‘Dream’.

A rising democratic India poses a direct challenge to this narrative - hence the need for China to impede India’s rise.

Thus, the Wuhan Talks with its optics and statements appear more to gain understanding about Indian long-term strategy and to try and lower India’s guard rather than push for any major long-term convergences. The ‘core interests’ of India and China are far too divergent – China aims for a unipolar Asia in a multipolar world, while India aims for a multipolar Asia in a multipolar world, to achieve the same. However, the short – medium term opportunities are what can be tapped for improving the CNP of India.

The Panmunjeom Summit talks were more for China to regain the narrative at the expense of the USA. The stand-off is unlikely to be resolved soon as it enables China to maintain
a buffer between its mainland and a capitalist nation aligned with the West – one of the reasons it stepped into North Korea during the Korean War in 1950s. If China considers that the re-unification could lead to a Unified Korea that is firmly in its Camp, it could consider de-nuclearisation of North Korea. However, that is a very unlikely outcome.

**CONCLUSION**

As such, while China seems to have been able to achieve some gains post the Korean Summit, the Wuhan Talks does not appear to have paid it much dividend. Yet, this is the opportunity for India to take advantage of, economically and diplomatically. With the Chinese economy seemingly on the backfoot India can drive a hard bargain to reduce the trade deficit and bring in Chinese FDI in select sectors on our terms and conditions. Concurrently, India should not let its guard down on the LAC, in the Aero-Space and Maritime domains and be prepared to effectively counter the Chinese PLA’s asymmetric capabilities. The border issue may not be resolved any time soon, but if the outcome from Wuhan enables some sort of peace and tranquillity along the LAC in the short / medium term, it would be a very welcome dividend for India.

The need of the hour would be to look at short / medium term convergences for mutual benefits, as the long term views of both nations are rather divergent. This strategic window is small, of 10 – 20 years that India could use for its benefit to increase its CNP and geo-political and strategic space. It would need a statesman to grab the opportunity – are our politicians and decision makers game for it? Time will tell.


9. Interior Lines are those of an Army centrally situated acting against divided hostile forces; exterior lines are those adopted by divided Armies acting against a centrally placed opponent. https://www.tandfonline.com/doi/abs/10.1080/03071842109421937?journalCode=rusi19


11. ibid


14. China is building an Army base, not manning one, for the Afghan armed force, Joshua Kucera, Eurasianet, 7th January 2018, http://www.eurasianet.org/node/86661


20 Stephen Chen, op cit
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The United Service Institution of India was founded in 1870 by a soldier scholar, Colonel (later Major General) Sir Charles MacGregor for the “furtherance of interest and knowledge in the art, science, and literature of the Defence Services”. The present Director of USI is Lieutenant General PK Singh, PVSM, AVSM (Retd).

The USI’s Center for Strategic Studies and Simulation (CS3) was established on January 1, 2005 and is a node of excellence for Net Assessment studies and Scenario based Strategic Gaming. The Center is presently headed by Major General BK Sharma, AVSM, SM**(Retd).