The Institute for Defence Studies and Analyses is an autonomous society to conduct study and research on problems of national security and the impact of defence measures on the economic, security and social life of the country.

Strategic Analysis is a monthly publication. It aims to publish analytical research articles contributed by IDSA staff on international political, strategic and security issues. Contributions from outside the institute are welcome. The manuscript should be 4,000 words or more in length. Two copies of the manuscript neatly typed in double-space may be forwarded to the Editor. Diagrams/figures/photographs, where required, must be sent in a form suitable for printing. References and sources must be cited in accordance with standard norms, and the authors will be responsible for fulfilling copyright where necessary. The Institute reserves the discretion to reject manuscripts.

The views expressed in the Strategic Analysis are those of the authors and not necessarily those of IDSA or any other organisation. On written request, the Institute may grant permission for free of charge for reproduction.

© The Institute for Defence Studies and Analyses, New Delhi. Editor: Jasjit Singh, Director, Institute for Defence Studies and Analyses

Address : Sapru House

Barakhamba Road New Delhi-110001 Tel No.: 3325840

Price per copy Rs. 15/- annual Rs. 180/-Overseas US\$40 per annum (By Air Mail)

OTHER IDSA PUBLICATIONS

Strategic Digest (monthly)

Rs. 20 per copy

News Reviews (monthly)

The Americas

East Asia

USSR/Europe

South Asia and the Indian Ocean Southeast Asia and Australasia

Africa

West Asia

7.8.11 (1)

(All Rs. 10 per copy)

Future of Sino-Indian Relations

Jasjit Singh

Sino-Indian relations have undergone a sea change during the past eight years since the tension across the frontiers in Sumdurong Valley in 1986-87. The warm relationship of the early 1950s had given way to the increasing acridity of the territorial dispute between the two large states of Asia, over-sensitive of their recently acquired sovereignty, only to result in an armed conflict in 1962. For a quarter century after that, the relationship remained frozen within the conflictual framework generated by the territorial dispute and exacerbated by Cold War dynamics. The winding down of the Cultural Revolution in China offered the initial tentative movement towards normalisation of relationship. But, paradoxically, the acceleration of the Cold War in the early 1980s also coincided with efforts by both sides to start looking afresh at the imperatives of their national strategic interests. The winding down of the Cold War, thus, found the two countries ready to restructure their strategic postures, and already moving towards a closer relationship. The visit by the Indian Prime Minister, Rajiv Gandhi, to China in December 1988 speeded up the process; and the two countries have been moving purposefully towards casting off the shadows of past differences and misunderstandings to build close cooperation for the future.

Any assessment of the future of Sino-Indian relations must note a few underlying factors which have influenced their relationship in the past, and may yet affect it in future. Both countries are inheritors of the world's two oldest continuous civilisations; and the cultural influences of this factor and shared experiences result in different approaches to issues between the two, and also by the two in relation to the culture of the industrially developed countries of the West. Secondly, the path to sovereignty

Jasjit Singh is the Director of IDSA.

Paper presented at an international seminar on "China and South Asian Relations in the 90s," at Shanghai on 17-19 January, 1994, organised by the Shanghai Institute for International Studies, Shanghai.

as an independent modern nation state, though built on the powerful factor of the will of people, was different for the two countries. China established it on the basis of a prolonged armed revolution, whereas India attained independence through a highly successful non-violent struggle. This in itself seems to have shaped the world view and strategic policy of the two countries, especially in the early decades. While India relied heavily on moral and ethical power, China was more prone to resort to force in pursuit of policy. China sought autonomy within the framework and constraints of isolationism brought on by its aggressive ideology, and forced in large part by the Western world. It sought to improve its policy choices through exploiting the Cold War dynamics by a strategic posture of alignment (if not a de facto alliance), first with the USSR, and then with the USA. India, on the other hand, sought its autonomy through the philosophy and policy of non-alignment, which brought on its own measure of distancing from the super powers, but made it central to the struggle of the developing countries in fighting colonialism and to improve their leverages in an otherwise oppressive international order.

New International Order

The international order had been inexorably moving towards multipolarity for some time before the winding down of the Cold War and the demise of bipolarity. It can be argued that the intensification of the Cold War since 1978 itself was a manifestation of the realisation that the super powers were losing the exclusivity of their pre-eminent positions in relative terms. The policies put in motion by Mikhail Gorbachev after he came to power were clearly aimed at redefining the parameters of a new international order (and retaining super power dominance, though in a modified form). The United States sought similarly to take advantage of the Gulf War (1990-91) to try and map out a "new international order." But the reality is that the sudden end of the Cold War and the dramatic collapse of the Soviet Union expedited and accelerated the process of change in evidence for many years in the transition to a policentric international order.

The major characteristics of the new policentric world order are: the rise of new centres of power and influence in addition to the two super powers (whose relative decline accentuated the process); assymetric capabilities and sources of influence among the centres of power in the emergent world order; the shift of the centre of gravity of international strategic balance from Europ-North America to the Asian region, with five of the six leading powers (the US, Japan, Germany/EU, China, India, and the Russian Federation) in Asia; Western powers, led by the USA, trying to arrest their relative decline and retain a dominant role in the international order through hegemonic policies of denial and coercion; strategic vacuum caused by the collapse and disintegration of the Soviet Union; and a rapidly increased emphasis on human development and other global challenges consequent to the intensification of the revolution of rising expectations.

The emergence of an Asia-centred international order will have far reaching implications for the world. In a way, this is perhaps the major safeguard against the dominance of the industrial world and the attendant risks of the East-West Cold War transforming itself into new rivalry and tensions with a North-South orientation. What happens in Asia would have a significant influence on the shape of things in the future world. China and India, between them, have 40 per cent of the world's population. China is already the world's second largest military power (and the biggest in Asia); and its military strength continues to grow at a brisk pace. Its rapid economic growth and accelerated military modernisation would result in a tremendous growth of its strategic power and capabilities by the turn of this century. How China exercises this power will have a profound effect on the global and regional strategic environment in future; but the rapid growth of its capabilities affords it increasing options in the years ahead. China has been pursuing an independent foreign policy for some time now, and holds an observer status in the Non-Aligned Movement since 1992. It has sought to reassure its neighbours through cooperative approaches and emphasis on the Panchsheel.

India's economic growth averaged over 5 per cent during the two decades of the 1970s and 1980s, and is poised for further growth. Having followed a mixed-economy model (unlike the centralised command economies of the Soviet and Chinese model), it does not suffer from the structural handicaps that caused the Soviet decline, or the uncertainties of politico-economic adjustments that China has to resolve in the coming years. India's political system, with its democratic values, is in harmony with the dominant global trend and has proved its strength and resilience during the

past five decades. Its primary strategic objective continues to be the socio-economic development of its people. Towards that end it has been seeking reduction of tensions and improving relations with other countries, especially its neighbours. Since 1986-87, it has cut back its defence spending by 39.6 per cent, from 4.04 per cent of the GDP (in 1986-87) to an estimated 2.44 per cent of the GDP (in 1993-94) in spite of stagnancy in the GDP growth rate after the Gulf crisis and war. There has been a subtle shift in its strategic doctrine from that of "defence" to "war prevention" as was evidenced in its extraordinary efforts to avoid even the imposition of a war in 1990.

Both China and India are developing countries with large populations whose aspirations for a better quality of life and social justice need to be addressed on the highest priority. The information explosion and the revolution of rising expectations have given this need a special significance and poignancy. An ever expanding area and environment of durable peace and cooperative security is critical for the fulfilment of these needs. At the same time, their ability to achieve higher achievement levels is also dependent on their ability to maintain autonomy of strategic policy in a world of hegemonisitic and discriminative trends. It needs to be recorded that the Cold War was essentially a confrontation of the North; and the states of the South were involved only as peripheral partners or as the battleground. The end of the Cold War has not ended the problems and issues for the countries of the South. Some people, in fact, argue that the difficulties and the abilities of the developing countries have increased after the end of the Cold War. On the other hand, South-South cooperation has remained an elusive goal. As the two large sized and strongest developing countries, China and India have a special role and responsibility in this regard.

After the end of the Cold War, the North is placing greater emphasis on democracy, human rights, and the United Nations (especially for preventive diplomacy and interventions). The problem is that while the Western countries emphasise democracy at the national levels, they are resisting any attempts at democratisation of the international order. The structure of the UN, created to manage the post-World War II international order, is inadequate to meet the needs of the post-Cold War challenges. Two out of the 179 member states represent 40 per cent of

humanity; and only one of them (China) is represented at the UN Security Council as a permanent member. The dichotomy is apparent in the reality that with over 150 developing countries among the 179 members states of the UN, the North remains dismissive of the interests, aspirations, and the decisions of the majority.

The role of nuclear weapons will require to be reassessed in the post-Cold War world. The ending of the East-West militarised confrontation, which had given nuclear weapons a perceived role in military terms, has created a unique historical opportunity to eliminate nuclear weapons. The global regime to abolish chemical weapons signed in 1993 (and the earlier treaty to abolish biological weapons) aims to eliminate two out of three categories of weapons of mass destruction. The aggressive maximal nuclear deterrence has already given way to minimal/finite deterrence; and it is reasonable to expect that deterrence will keep decaying with the passage of time. However, it has been clear from the very beginning that nuclear weapons cannot serve any rational military purpose (except for defence as a deterrent against the threat of nuclear weapons), and their utility lies in the political arena only, especially for coercive purposes. The political coercive role how stands out as the predominant utility of nuclear weapons. But there has been a strong tendency to persevere with the Cold War formulations of the role and utility of nuclear weapons. In a classic role-reversal, the new Russian military doctrine places a heavy reliance on nuclear deterrence against Western (and other?) conventional military capabilities. On the other hand, the risks and dangers of nuclear proliferation have increased, especially as the incentives operating in the Cold War context against proliferation keep eroding in future. It is obvious that the role of nuclear weapons in the post-Cold War international order has still to be clearly defined. But there is no reason why nuclear weapons should not be totally eliminated from the world.

Strategic Issues and Interests

The strategic priority of seeking rapid and well-managed socioeconomic development for their people by China and India also defines the need and areas of closer cooperation between them. We already see the evolution of a cooperative framework which seeks to establish an environment of peace and tranquillity at one

level, and explore the areas where cooperation can be rapidly built up for mutual benefit on terms of equality. The challenge for the future will be to build on the areas of convergence of nationalstrategic interests, and to keep the divergences and their effects within manageable dimensions. It is also clear that the method of pursuing those interests would not necessarily be similar; and this should not be a allowed to cloud the reality of the underlying factors.

Both countries are still in the early stages of industrialisation and, therefore, share similar challenges and assets. While both countries have been making impressive progress in science, technology, and industrial development, far more remains to be achieved. And the peoples are getting impatient. Fortunately, the recent opening up of the bilateral relationship has also demonstrated to both sides that there are large areas where mutual cooperation will be beneficial for the two countries through reinforcement of the individual capabilities in a coordinated and effective manner. Already, both countries have been moving energetically to exchange ideas and approaches in dealing with developmental issues. A joint sub-committee on science and technology was set up in December1988, and has been working on expanding scientific and economic exchanges, and assisting in establishing joint ventures, trade, cooperation in space research, and other science and technology sectors. The potential is indeed great: and the need urgent from both sides, especially as trading blocs and highly restrictive and arbitrary technology denial regimes and cartels are being increasingly established. Examples of uncharted areas for future cooperation include joint development and manufacture of aircraft and systems (for civilian needs, since it may be somewhat premature to do so for military aircraft and systems), ship building and repairs, railway equipment, etc. Progress down this line will, in itself, open up more avenues. There is great potential for opening up trade and transit through direct land routes. In fact, the old Burma Road (and ancient Silk Route) should now be reopened to serve the larger and necessary purposes of trade and transit. Direct air flights between Indian and Chinese cities would go a long way in increasing the pace of relations.

Cooperation in the development of science, technology, and agricultural/industrial knowhow will boost techno-economic growth and development which both countries need so badly. It

also needs to be noted that these are also the areas where it is possible for competition and even conflict of interests to emerge unless conscious efforts are made to keep it within manageable limits.

The issue of nuclear weapons and related security issues is one such area. China, faced with nuclear coercion and blackmail by the US, set about and acquired a credible nuclear weapon capability along with long-range delivery systems. This rationale was expanded and also oriented to provide minimal deterrence against the Soviet Union after their bilateral relations soured. China has maintained a minimal deterrence posture and, from the beginning, committed itself to no-first-use and non-use against nonnuclear countries. This has helped to reduce the threats and dangers inherent in nuclear arsenals. However, its continuing to maintain non-strategic nuclear forces even after the US and Russia committed themselves to eliminate them, is intriguing. India has sought global and complete nuclear disarmament. Its nuclear policy appears to have undergone some change after China acquired nuclear weapons in 1964; but in spite of the scientific and technological capability to acquire nuclear weapons, it has sought only to keep the nuclear option open. Its advanced civilian programme, technological knowhow, and the peaceful nuclear explosion in 1974 have contributed to a credible recessed deterrence capability with India which should be adequate for most contigencies of nuclear coercion.

A rational assessment would indicate that a non-nuclear weapon environment would serve the strategic national interests of both China and India better than a nuclearised scenario. And the end of the Cold War offers uniques opportunities to move towards such a state. Both countries have a vested interest, therefore, in working together for a nuclear weapon-free world. At the third Special Session of the UN on Disarmament (in 1988), India had put forward a comprehensive action plan to achieve this objective; and it continues to explore ways and means to further the basic objective. It has been strongly supporting the Nuclear Arms Freeze resolution in the UN General Assembly since 1978. This resolution called for a comprehensive test ban, cessation of manufacture of nuclear weapons and their delivery systems, ban on further deployment of nuclear weapons and their delivery vehicles, and complete cessation of production of fissionable material for weapons purposes; and was supported by 121 countries

(with 19 voting against) at the last count in 1992. India is party to the UN resolution (8 November, 1993) calling for a nondiscriminatory, global treaty banning the production of fissile material for nuclear weapons (or other nuclear explosive devices).

The nuclear weapon states have not fulfilled their obligations to negotiate complete and general nuclear disarmament as required by the nuclear Non-Proliferation Treaty (NPT). China signed the NPT in 1992 after staying out of it for 22 years; and it remains to be seen how far China would go towards the achievement of the twin objectives of the NPT, that is, nuclear disarmament and nonproliferation. China has shown no willingness to stop nuclear testing; and the US insists that China continues to support proliferation. In the post-Cold War period, serious dichotomies and contradictions have arisen in the Chinese nuclear posture.At the same time, China's support for a nuclear weapon-free zone in "South Asia" without any commitment on its own part to enter into any reductions or controls over its own nuclear arsenal (in particular, the tactical and non-strategic varieties which can be used only against its neighbours) raises serious questions about the role that China expects its nuclear weapons to play. China has a unique opportunity to play a major role in defining the parameters of a universal, effective, and disarmament-linked nuclear nonproliferation regime beyond the NPT when the latter comes up for a decision on extension in 1995.

Sub-national separatist tendencies have come to the fore in recent times, especially after the break up of the Soviet Union and Yugoslavia. Ethno-nationalism and religious political radicalism pose a serious threat to peace, stability, and security of countries. Almost all states are plural in nature. Civilisational cohesion and established liberal democratic culture are strong binding influences against centrifugal tendencies. On the other hand, external interference and export of ideology tend to exacerbate the divisive trends. Many states, like Pakistan, have been supporting armed militancy and terrorism in other countries in pursuit of radical Islamist ideologies. Pakistan has attempted to spread Islamic radicalism across Afghanistan into Central Asia. It has been providing active support to separatist armed militancy and terrorism in India (in the Punjab state since 1984, and the state of Jammu and Kashmir since 31 July, 1988) with the objective of destabilising the political and social structure of secular, democratic India.

India and China both have some vulnerabilities rooted in these factors, and the territorial integrity and internal stability of the two countries has assumed added importance to each other. With the improvement of Sino-Indian relations in recent years, the Chinese position on the Jammu and Kashmir issue has also undergone a major shift. China, instead of citing the UN resolutions as the basis of a settlement, now emphasises the need for Pakistan and India to resolve the differences peacefully, through bilateral dialogue. Indians recognise the close friendly relations between Pakistan and China; and this factor is perceived to hold positive potential due to a restraining influence on Pakistan. At the same time, conscious of the concerns and interests of China, India has been reassuring China that it considers Tibet to be part of China. India did not join the Western countries in the criticism and condemnation of China after the Tiananmen incident in 1989, and treated it as a purely internal matter for China to deal with. There is, thus, a marked difference in the approaches by the leading powers of Asia in dealing with centrifugal nationalism as compared with those of Europe (particularly as it related to the former Yugoslavia). If the present global trends of centrifugal pressures and external intervention in different forms continue, China and India would need to move even closer to coordinate policies to set the example in maintaining stability and peace in Asia.

The menace of narcotics trafficking, and the other evils linked to it (like money laundering, undermining the law and order system, violence and terrorism, etc.) pose one of the major challenges of security to the contemporary world. Narcotics trafficking and its allied evils are transnational in nature. The attempts to tackle the problem at the level of strategic policy by the leading members of the international community have remained limited so far. But narcotics trafficking threatens not only the social and economic fabric of states-it has come to pose a serious challenge to the survivability and efficacy of the political systems of many states. Two of the world's three largest narcotics producing areas are in close proximity of China and India, but with neither having any definitive control over the process. Both countries are under the risks and negative effects of being passage countries. With rapid economic growth, the likelihood of higher levels of narcotics consumption in China and India will increase. While demand-side measures could, by and large, be adopted nationally,

the problem can be addressed in a comprehensive and meaningful way only through international cooperation.

Transnational terrorism has been on the increase. In many cases this has assumed highly debilitating dimensions. As it is, the state has been rapidly losing its traditional monopoly over the instruments of violence; and proliferation of small arms and minor weapons has been taking place at an alarming pace. (The small arms, as per North Atlantic Treaty Organisation (NATO) definition, now include weapons of up to 50 mm calibre, and capable of defeating light armour and helicopters.) The proliferation of small arms has been taking place unchecked and, perhaps, even unnoticed. But the fact is that except for a few inter-state regular wars in the past two decades, all armed conflicts have been started and sustained on the strength of easy availability of small arms. As the two most populous countries of the world, the stakes of India and China to control transnational terrorism and the proliferation of small arms are obviously high. China, like India, condemns transnational terrorism sponsored by states. This is an area that offers great potential for working together.

Arms transfers have been used (and continue to be used) as an instrument of policy by the industrialised states. China's arms exports rose sharply in the 1980s. But it is the transfer of arms that destabilises the security environment which is a cause for concern. Ballistic missiles fall in this category. China exported the 3,000 km range CSS-2 ballistic missiles to Saudi Arabia in 1988; and there have been persistent international reports of continuing export of ballistic missiles and missile technology by China. Reports of China's assistance to Pakistan in its nuclear weapon programme have persisted for a long time. There are credible reports regarding the transfer of M-11 ballistic missiles and missile technology by China to Pakistan. This transfer should not be judged by the yardstick of range (of 300 km) that has operated under the 1987 Missile Technology Control Regime guidelines because of the obvious potential of the ranges being increased through local modification, as Iraq had done. The reality is that transfers of this type contribute to instability, and, therefore, must be curbed. This is an area, in fact, where India and China should work together for the total elimination of ballistic missiles from the world through a comprehensive global treaty.

China is the primary strategic challenge for India; and China

itself will need to reassess its view regarding India's future role. This factor, by itself points to the need for the two Asian giants to move in ways and means that build, on their convergent interests, and reduce their divergences while keeping them in check from becoming a potential crisis or conflict. In the recent years a certain degree of dissonance had crept into the strategic doctrine of the two countries, and this is likely to have its own influence on the relationship between them. In the process of military modernisation China had moved from its traditional strategically defensive doctrine of "people's war" to a new formulation as "people's war under modern conditions." At the same time, China started to emphasise the doctrine of border wars. The shift makes the new doctrines strategically offence oriented. On the other hand, India has undoubtedly moved from its traditional strategic philosophy of defensive-defence to a doctrine of war prevention as witnessed in 1990. Such disonnances can start to create perceptions of threat in the neighbourhood. On the other hand, direct military-to-military contacts between China and India have started to develop. Recently the Vice Chief of General Staff of the People's Liberation Army (PLA), Lt. General Xu Hui-zi, paid a goodwill visit to India in December 1993. Other visits, including a high level visit by the Indian Defence Minister, have taken place. This process, taken to its logical end, should help to improve bilateral understanding.

The September 1993 agreement between the two countries to maintain peace and tranquillity along the frontiers based on the principle of mutual and equal security, where "neither side shall use or threaten to use force against the other by any means," is a landmark agreement between the two Asian giants. It was agreed that the boundary question should be resolved "through peaceful and friendly consultations;" and pending the ultimate resolution of the boundary question, the two sides have committed themselves to strictly respect the Line of Actual Control between them. Mechanisms have been set up for the peaceful resolution of differences related to the working of the agreement, including the question of the interpretation of the Line of Actual Control. The agreement is really a notable one in that it is the first major conventional arms control agreement between two Asian states without any role played by third countries.

China and India have agreed to reduce their military forces in the areas along the Line of Actual Control to a minimum level

compatible with the friendly and good neighbourly relations between the two countries. The actual scope and extent of the reductions are to be decided through mutual consultation. In addition, the agreement includes a number of other confidence and security building measures. In other words, the agreement seeks to stabilise the situation on the frontiers while agreeing to work for a mutually negotiated settlement of the boundary problem. The logical progress in implementation of the agreement will go a long way in building up a strong friendly relationship between the two countries.

One of the important areas which is likely to have an influence on the shape of future relations between the countries is the issue of how each country perceives and articulates its perceptions and interests related to the critical interests of the other. It is also important to ensure that bilateral cooperation is reinforced by cooperation at the regional as well as global levels. This requires some fresh thinking on both the scope/extent of the region and the issues that should be handled, at least in the beginning. There is great potential for regional cooperation within a Southern Asia framework-the region broadly inclusive of China, Central Asian republics, Iran, Afghanistan, states of South Asia, Myanmar, Thailand, Malaysia, Indonesia, and Singapore. The charter for such a regional cooperative approach would be to discuss confidence building measures and search for ways and means of strengthening peace and security through cooperative approaches. The principle of mutual and equal security, already articulated and agreed upon by China and India, could form the basis along with the five principles of peaceful coexistence

New Turn to the NPT: The North Korean Case

Savita Pande

Whatever may be the outcome of the politics of nuclear developments on the Korean peninsula, no one can dispute the fact that North Korea has given a new dimension to the politics of the nuclear Non-Proliferation Treaty (NPT). By being the first to invoke the withdrawal clause (Article X) and then "suspending withdrawal", hitherto unheard of, North Korea has become the first state among the nuclear have-nots to interpret the NPT to its advantage. It is true that there is no clause which permits suspension of withdrawal but it it also true that there is no provision which prohibits it either.

While the North Korean issue has come into prominence because of the withdrawal from the NPT and consequent controversy around permitting inspection, at no point is it suggested that the issue is purely a non-proliferation problem. The linkages are more taking into account the relationship among the interdependencies among different factors. Nor can the issue be viewed purely as a zero-sum or non-zero-sum game between North and South Koreas in which either one is trying to score over the other, in case unification ever comes about.¹

For this and related reasons, the issue needs to be examined in greater depth in order to understand the North Korean question.

Nuclear Programme: History and Content

The precise origin of the North Korean nuclear programme is difficult to discern primarily because the origin of the programme is linked to the former Soviet Union and Chinese assistance wherein information on such issues particularly is not available easily. Pieces of information available put together, however, can give some loose framework.

One of the reports trace the origin of the programme to the