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Chinese and Indian Heads of Government Together in May

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**In a Fortnight**

By Peter Mattis

APPRAISING XI JINPING’S POLITICKING

At least since the politicking for China’s leadership succession heated up last summer, Chinese Communist Party (CCP) General Secretary Xi Jinping consistently has shaped the political environment in his favor, seemingly consolidating control much earlier than many expected. The official reporting of Xi berating his colleagues in a three-day Politburo session in late June combined with the announcement of a mass line campaign to draw the CCP closer to the people suggests he is turning up the pressure on his colleagues (*People’s Daily*, June 26; *Xinhua*, June 26). With the trip to Xibaipo in Mao Zedong’s footsteps following on last December’s “Southern Tour” in Deng Xiaoping’s, some suggest President Xi is appealing to all sides (*South China Morning Post*, July 12). More likely, however, Xi is cloaking his administration within CCP canon—just as Deng did during the controversial early years of reform—to expand his freedom of action and deny his domestic political opponents legitimacy.

Given his performance to date, Xi has demonstrated a unique ability to achieve his political objectives. He probably has changed the landscape of Chinese politics, systematically strengthening his position while weakening others. Certainly, Xi seems more capable than his predecessor of exercising power between the two extremes of rhetoric and disposing of individual political opponents (“The Soapbox and the Truncheon: Hu Jintao’s Amorphous Power,” *China Brief*, July 19, 2012). Some highlights of Xi’s elite maneuvering include the following:

- Ahead of the leadership transition last year, Xi successfully outmaneuvered the outgoing Hu Jintao, displacing him as chair of the Central Military Commission and denying his protégés spots on a reduced Politburo Standing Committee. Early forecasts suggested it would require a political strongman to reduce the size of the Standing Committee and that the factions would be relatively balanced (“Hu Jintao’s Sixth Generation Protégés Play Safe to Ensure Promotion,” *China Brief*, April 26, 2012). Just as Jiang Zemin expanded the leadership ranks in 1997 to dilute his opponents’ power, Xi restricted membership to concentrate his.
  - Xi’s two foreign policy concepts, “New Type of Great Power Relations” and “New Type of International Relations,” have created more international space for China’s development (“Chinese Dreams: An Ideological Bulwark, Not a Framework for Sino-American Relations,” *China Brief*, June 7). Getting Washington to sign on to the former, at least rhetorically, was a coup, because it signaled tacit U.S. acceptance of Chinese foreign policy principles that had long eluded Chinese efforts.
  - During Hu Jintao’s leadership, the independent power of the Political-Legal Commission and the internal security apparatus under Zhou Yongkang seemed to grow almost out of control. Xi, however, rapidly asserted himself and may have taken on a Zhou Enlai-like role at the center of the intelligence and security services (*Ming Pao*, January 30). Moreover, Zhou Yongkang may now be the ultimate target of corruption investigation that has claimed several of his allies who remained in government (*South China Morning Post*, July 3; *Want China Times*, March 21). Xi also may have been behind the publication of a series of articles critiquing Zhou Yongkang’s preserving stability (*weihu wending*, or *weiven*) apparatus last summer and may have set the stage for putting the Political-Legal Commission under the CCP general secretary’s thumb (“Central Party School’s Critiques Suggest New Leadership Dynamics,” *China Brief*, June 20, 2012).
  - Proposals exist for cutting 20–30 million CCP members—a move that could cut roughly 25 to 40 percent of the party roster. Although the proposed cuts to party rolls probably qualify as trimming deadweight, Xi’s emphasis on anti-corruption, clean living and moral governing suggest any campaign to cut membership endangers any of the cadre who engaged in the system’s natural corruption (*Global Times*, May 30).
- Rather than interpreting Xi’s invocation of the mass line as a return to Maoist tactics, another possibility worth entertaining is that he is adopting another traditional tactic: turning to the people during leadership contests. John Wilson Lewis opened his book on Chinese leadership noting, “The basic leadership theory and operational procedures of the Chinese Communist Party are the principal parts of these dynamics, which at first sight appear to be simply systems of command, but in fact are designed to produce affirmative responses by the Chinese people and cadres to the goals of Chinese communist policy.” The crux of Maoism (and this emerging Xi-ism) is to build popular support to provide a push for Chinese officials, catching them between the people and the party center. This may not quite be Qiao Shi calling for democracy in 1997 or Zhao Ziyang in 1989; however, it does position Xi squarely within the CCP’s traditions of controlled forms of democracy and the surviving legitimacy of Mao.
- In the past, such political turns have signified an ongoing leadership challenge—a possibility that should not be overlooked, despite Xi’s seeming success. Xi’s policies and objectives potentially change the rules for mid-level cadres and challenge some vested interests. Most officials have survived at least a few self-criticisms and rectification campaigns, so party discipline alone will not achieve Xi’s objectives to reshape the party or push cadre to enforce his edicts (*Guangming Daily*, June 19). The mass line approach does offer an additional avenue through which to push a policy agenda; however, it is unlikely to be sufficient without additional supervisory provisions or changes to cadre promotion standards.
- Given how centralized Xi’s power appears, it may be more accurate to say that Xi—rather than trying to please everyone—is trying to seal off the avenues by which

he can be attacked. The mass line protects against the leftists, such as those who supported the ousted Bo Xilai's "Chongqing Model." Xi also has put substantial effort into meeting with the People's Liberation Army, which traditionally has been an important base of support ("Commander-in-Chief Xi Jinping Raises the Bar on PLA 'Combat Readiness,'" *China Brief*, January 18). If Xi's politicking has been as strong as it appears from the outside, then the biggest questions involve the next steps. What will a secure Xi do with his power? Will he succeed where others failed on economic reforms?

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## Rectification Campaign to Boost Cadres with "Red DNA"

By Willy Lam

President Xi Jinping has given the clearest indication to date of his political orientation and policy preferences by launching a Maoist-style rectification campaign to "thoroughly clean up the work style" of the Chinese Communist Party's (CCP) 85 million members. In the coming year, officials in civilian and military departments who fail to rid themselves of the undesirable traits of "formalism, bureaucracy, hedonism and extravagance" will be penalized or even removed from the party. The year-long rectification (*zhengfeng*) exercise, formally called a "Campaign on Mass Line Education and Practice" is the largest-scale purge launched by the CCP leadership since the end of the Cultural Revolution (1966–76) (*People's Daily* (June 19); *Ming Pao* [Hong Kong], June 19; *China Times* [Taipei], June 19). Additionally, a companion "thought education" movement "to boost grassroots-level cultural construction in the military forces" is being launched within the People's Liberation Army (PLA) and the People's Armed Police. Regulations promulgated by the four PLA general departments last month urged officers to "nurture the core values of the contemporary revolutionary soldier" by "doing a better job in educating, nurturing and molding [the character of military personnel]" (*Xinhua*, June 2; *PLA Daily*, June 2).

In language that is reminiscent of the Great Helmsman's masterly blend of the vernacular and the metaphysical, Xi urged cadres and party members to "purify themselves, and [work on] self-perfection, self-reformation and self-elevation." "We must closely rely on the people and fully mobilize the enthusiasm, initiative and creativity of the broad masses," he said in the nationally-televised speech on June 18 that formally opened the *zhengfeng* crusade. "We must look in the mirror, tidy our attire, take a bath and cure our sickness," added Xi, who is also CCP General Secretary and Chairman of the policy-setting Central Military Commission (CMC). In a commentary on the *zhengfeng* crusade, *Xinhua* pointed out that the Mao-style purge would serve the purpose of "bolstering the cohesiveness of the hearts of the party and people and consolidating the blood-and-flesh ties between the party and the people" (*Xinhua*, June 20; *People's Daily*, June 20).

Given that the campaign will run for at least 12 months, it is premature to assess whether it will live up to the billing of winnowing out bad sheep who are responsible for the alarming deterioration of cadres' morality and competence. It is significant, however, that, in the footsteps of the Great Helmsman, Xi is resorting to Cultural Revolution-era ideological and propaganda campaigns to change of mindset of cadres rather than establishing institutions such as universal-style checks and balances. As legal expert Guo Wenjing pointed out in a commentary in the official *Legal Daily*, "critical to the success [of *zhengfeng*] is establishing solid institutions." Guo cited late patriarch Deng Xiaoping's famous dictum about "the decisive role of institutions," namely, that "bad people cannot do evil within a good system, whereas it is possible for good people to do bad things within an evil system." Similarly, U.S.-based dissident scholar He Qinglian, who specializes in party history and institutions, faulted Xi for "going after pleasing appearances rather than doing solid work." "The rectification exercise is itself a manifestation of formalism and bureaucracy," she said, "what the CCP needs is reform of political systems" (*Legal Daily*, June 20; *Voice of America*, June 19).

In his speeches relating to the *zhengfeng* movement, Xi surprisingly has shied away from concrete measures to eradicate corruption, which former presidents Jiang Zemin and Hu Jintao deemed "a matter of life and death

for the party” (CNTV.com, December 22, 2011; Xinhua, July 1, 2011). Shortly upon becoming general secretary last November, Xi waxed eloquent about cracking down on “tigers as well as flies” among venal cadres. He, however, made only one reference to tackling graft in his June 18 address: “We must deeply implant in the thoughts and actions of all comrades of the party the value of serving the people, sticking to reality and being non-corrupt.” Neither Xi nor other members of the Politburo have said anything about the status of a number of solid anti-graft measures proposed by liberal cadres as well as public intellectuals. One is a so-called “sunshine regulation” that will oblige mid- to senior-ranked officials to disclose their assets as well as those of their spouses and children. While the assets disclosure regulation was a hot topic during the National People’s Congress (NPC) last March, it has disappeared from public discourse, apparently due to entrenched opposition from power blocs in the party (People.com, June 28; Huanqiu.com, June 10).

Xi’s failure to address the corruption scourge properly has drawn at least indirect flak even from academics within the party establishment. For example, Yao Huan, a politics professor at the Beijing Municipal Party School pointed out in an interview with *People’s Daily* that “without clean governance, adopting the mass line becomes an empty phrase” (*People’s Daily*, June 29; Sina.com, June 29). More than six months after he became party chief, Xi has little to show on the clean government front. The two most senior officials nabbed for alleged economic crimes are the Vice Minister at the National Development and Reform Commission Liu Tienan and the former Vice Governor of Sichuan Province Guo Yongxiang (China News Service, June 24; Xinhua, May 13). Moreover, Xi seems to have difficulty wrapping up the case of former Politburo member and Chongqing Party Secretary Bo Xilai. First detained by authorities in March last year, Bo is alleged to have pocketed at least a few tens of millions of yuan in addition to laundering money overseas (*People’s Daily*, January 19; China.com, January 9).

If the *zhengfeng* movement has little to do with urgent tasks such as combating corruption, is it a foil for an old-style intra-party power struggle that is aimed at boosting the authority of Xi, the putative “core” of the Fifth-Generation leadership? Zhang Lifan, a well-known party historian, pointed out that “political campaigns waged in the name of the mass line are often symptomatic of

factional strife within the party.” “It is possible that an internal power struggle is shaping up,” he said (*Ta Kung Pao* [Hong Kong], June 22; *Ming Pao*, June 19). Deng Yuwen, a respected media commentator who used to be a senior editor at the Central Party School, also thinks Xi might be using the rectification exercise to rid himself of political foes at both the central and local levels. Deng suggests “The *zhengfeng* crusade may become a loyalty drive which will enable Xi to establish his authority and flush out ideological opponents” [1].

A remarkable article in the *PLA Daily* last month seemed to lend credence to Zhang and Deng’s views. In a piece entitled “Self-consciously Uphold the Authority of Chairman Xi Jinping,” the commander and political commissar of the Second Artillery Corps, respectively, Wei Fenghe and Zhang Haiyang, called upon officers and the rank and file to “heed at any time and under any circumstances the instructions of the party central authorities, the CMC and Chairman Xi.” The two generals saluted the contributions made by Chairman Mao in “formulating and constructing the objectives for modernizing [China’s] revolutionary army.” They went on to note that in order to “ensure the army’s superior nature, goals and essence,” military personnel must “meet the challenges of reality and the needs of inheriting ‘red genes’” (*PLA Daily*, June 17; China News Service, June 17).

It was the first time that senior cadres in either civilian or military sectors had underscored the imperative of nurturing and developing the party’s “red DNA.” Given the commonly held beliefs among conservative sectors in the party and army that “red genes” are found in most abundance among cadres with “revolutionary bloodline”—a reference to princelings or the kin of party elders—the likes of Generals Wei and Zhang are in effect waging a loyalist campaign to enhance the status of Xi, who is the son of the late Vice Premier Xi Zhongxun, as unquestioned supremo of the party, state and military apparatus (*Apple Daily* [Hong Kong], June 27; Voice of America, March 12). Moreover, a number of close Xi associates at the uppermost echelons of the party and army, including Politburo Standing Committee members Yu Zhengsheng and Wang Qishan as well as the General Zhang himself are the sons of illustrious party elders.

The apparent veneration of “red genes” also has

manifested itself in the decision by a number of princelings in their twenties and forties to forego relatively lucrative business careers for the world of politics. This is despite an internal instruction given by late patriarch Deng in the 1980s that the offspring of party elders should seek to distinguish themselves in the commercial rather than the political arena (*Hong Kong Economic Journal*, June 16; *Apple Daily*, June 10). Foremost among these cadres with revolutionary bloodline is Deng Xiaoping's grandson Deng Zhuodi, aged 28, who became Deputy Head of Pingguo County, Guangxi Province, earlier this year. Other examples have included the 41-year-old son of ex-President Hu Jintao, Hu Haifeng, who was named Deputy Party Secretary of the city of Jiaxing, Zhejiang Province last May; and the 36-year-old son of former NPC chairman Wu Bangguo, Wu Lei, who was recently appointed Deputy Director of Shanghai's Economic and Information Technology Commission (*South China Morning Post*, May 25; *Liberation Daily* [Shanghai], May 13).

Irrespective of the extent to which President Xi is committed to blowing the trumpet for cadres with "red genes," his adoption of Maoist values has been criticized by the CCP's remnant liberal wing, which includes party elders as well as their offspring ("China's Reform summed up: Politics, No; Economics, Yes (Sort of...)," *China Brief*, May 23). Beijing's political circles have the past few weeks been abuzz with the publication of the candid views of a number of liberal retired cadres during a Chinese New Year intellectual salon organized by the respected monthly *Yanhuang Chunqiu*. The second son of late party general secretary Hu Yaobang, Hu Dehua, laid into Xi's embrace of ultra-conservative ideas, especially his apparent refusal to push forward universal-style political reform. Hu Dehua noted, instead of harboring nostalgia for the Cultural Revolution, Xi should emulate the Taiwan's late President Chiang Ching-kuo, who instituted political reforms in 1986. Zhong Peizhang, a former senior cadre at the party's Propaganda Department, urged Xi to take immediate steps to "reform the lawless party and state systems laid down by Mao Zedong" (*Frontline* [Hong Kong], July 1; *Ming Pao*, June 23). While Xi has impressed observers in and out of China with the speed with which he has consolidated his power base, the 60-year-old princeling has to convince his countrymen that he is committed to overhauling old-dated institutions which underpin party members' fast-worsening "work style."

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Notes:

1. Author's interview with Deng Yuwen, June 28.

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## Chinese Premier Li's India Visit: Sifting through the Charm Offensive

By Rup Narayan Das

A state visit to India by Chinese Premier Li Keqiang in late May this year has taken on more importance in the wake of an unusual combination of diplomatic openness and military tension between China and India. Li's visit was not only the first ever visit by a top Chinese leader, but significantly Li's first visit outside China after becoming Premier. Chinese media quoted Indian Prime Minister Dr. Manmohan Singh as saying that Li reached out to him immediately after assuming office and chose India as his first foreign destination as Premier. Li evidently has made Chinese relations with India a personal priority (*Xinhua*, May 22–23). It would seem, however, that personal priorities by themselves are not enough to ensure a smooth relationship. Li's visit took place against the backdrop of the border incursion by China to the Indian side of the Line of Actual Control (LAC) in the Western sector of the India-China border, in an area known as the Depsang Bulge. New Delhi claimed that a platoon of Chinese troops intruded ten kilometers across the LAC on the Indian side of the border and set up five tents in the disputed area. Nor have developments since that time, including a border incursion this week, been encouraging for Sino-Indian ties (*Times of India*, July 10; *Xinhua*, July 10).

This is not the first time that such an incident has had the potential to derail Sino-Indian diplomacy. It may be recalled that while the two sides were making preparations for the meeting between the two leaders, the news of the Chinese intrusion in the Ladakh sector on April 15 cast a shadow not only on Sino-Indian relations, but also on the very possibility of the meeting occurring. Unsurprisingly, media in India reported extensively on the border incident, echoing the public's mood and concern (*Economic Times* [India], May 12).

To put the issue in perspective, it may be noted that India and China have unresolved borders, part of the two areas where the countries meet, which according to India's estimate runs for about 3,480 kilometers (or roughly 2,160 miles). Although the two countries have tried to solve the territorial dispute both before and after the Sino-Indian war in 1962, even after the 16th round of the "Special Representative Talks" in 2003, the two countries seem to be far from resolving the complex border dispute. Despite the non-resolution of the dispute, the borders have remained peaceful. This is largely due to a slew of bilateral agreements and institutional mechanisms between the two countries, which have ensured the surfeit of this peace and tranquility. In the context of Li's visit to India and China's crossing of the border, it is all the more essential to refer to some of the core features of the agreements to understand and appreciate the recent outcome.

The most significant breakthrough in the bilateral relationship between the two countries was the setting up of the Joint Working Group mechanism during the landmark visit of Prime Minister Rajiv Gandhi to China in 1988. Rajiv Gandhi was willing to give up India's earlier insistence for settlement of border problem as pre-condition for general improvement in the bilateral relations between the two countries. The next landmark Confidence Building Measure (CBM) between the two countries was the 'Agreement on the Maintenance of Peace and Tranquility along the LAC in the India-China Border Areas' signed during the visit of former Prime Minister P.V. Narasimha Rao to China in December 1993 [1]. The agreement stipulated the following:

- "The two sides are of the view that the India-China boundary question shall be resolved through peaceful and friendly consultations.

Neither side shall use or threaten to use force against the other by any means."

- "Pending an ultimate solution to the boundary question between the two countries, the two sides shall strictly respect and observe the LAC between the two sides."
- "No activities of either side shall overstep the LAC. In case of a personnel of one side crossing the LAC, upon caution by the other side, they shall immediately pull back to their own side of the LAC."
- "When necessary, the two sides shall jointly check and determine the segments of the LAC where they have different views as to its alignment."

It is clear from these provisions that the two countries are not only obliged to respect the status of the agreement, but also to observe the LAC which is undefined and un-demarcated. The respective LAC is based on mutual perception, at times leading to differing perceptions. The agreement, therefore, called upon both sides to work toward resolution of differences between the two sides on the alignment of the actual control. The two sides furthermore agreed that the references to the LAC did not prejudice their respective positions on the boundary question.

In spite of the CBMs and the mechanisms to prevent their occurrence, there have been instances of border incursions from time to time by both sides past the LAC. These border ingresses, however, have been sorted out amicably through available institutional mechanisms. The border incursion by the PLA of China on April 15, however, was unprecedented in its magnitude and duration.

Strategic and security experts are at their wits' end trying to determine the precise reasons for the border incursion by China, particularly during a scheduled state visit from the Chinese Premier. There is no consensus among experts whether it was an act of Chinese assertiveness or a move to test India's resolve to protect its territory. Another explanation is that China's actions were a manifestation of unease at heightened infrastructural development by India far too close to the Chinese border, including

troop movements, the erection of new border outposts, reactivation of airstrips such as Daulat Beg Oldie and laying of border roads. Some even opine that the border ingress by China was an example of pressure tactics meant to expedite resolution of the border dispute from a position of strength.

Regardless of the reasoning behind the Chinese actions, the two countries handled the incident very deftly and in mature way. In New Delhi, Foreign Secretary Ranjan Mathai summoned the Chinese Ambassador Wei Wei to South Block, the seat of Ministry of External Affairs, to lodge an official protest against the forward deployment (*The Indian Express*, April 23). Indian media reported that Mathai conveyed to the Chinese Ambassador that the posturing was unhelpful in building the right atmosphere before the visit of the Chinese Premier to India. New Delhi was courteous and yet firm in its articulation. Wei was told that India wanted the issue to be resolved soon, which meant that Chinese troops must pull back from their camping position. China, however, maintained that “the Chinese border defense troops always strictly abide by relevant agreements reached by the two governments and are committed to safeguarding to safeguarding peace and tranquility in the border area between China and India.” Beijing also denied that Chinese troops had trespassed on Indian territory and that it hoped to properly resolve the dispute through peaceful negotiations (*China Daily*, April 26). China’s soft attitude to the whole issue suggests that it was on the defensive and that it was amenable for a possible solution to defuse the stand off.

What seems to have accelerated the process of resolution of the impasse was the possibility that New Delhi might cancel the visit to Beijing of its foreign minister Salman Khurshid to prepare the field for the visit of the Premier Li Keqiang to New Delhi, which in turn would have cast shadow over the impending visit of the Chinese Premier to New Delhi. Against this background the army commanders of the two countries met for discussions at a number of Flag Meetings, the Working Mechanism on Consultation and Coordination on India-China Border Affairs of India headed by Joint Secretary Gautam Bambawale and his Chinese counterpart in Beijing. It is also believed that the Indian Ambassador to Beijing Mr. S. Jaishankar also was closeted with the Chinese Foreign Office to expedite a fast and early resolution of the border stand off. Finally, on May 5, after almost three weeks of

standoff, the Chinese and Indian troops simultaneously withdrew from the disputed area paving the way for the visit of Mr. Khurshid to Beijing and the subsequent visit of the Chinese Premier to India. In a regular press briefing Chinese spokeswomen Hua Chunying said on May 6 that the two sides had maintained close communication and consultations on the issue through border related mechanisms, diplomatic channels and border defense meetings (*Xinhua*, May 6).

After the end of the border standoff, India’s External Affairs Minister Salman Khurshid visited China. Prior to his visit to India, Premier Li also met a group of 100 Indian youths at Zhongnanhai, headquarters of the Chinese central government in Beijing on May 15. The two countries have begun the practice of exchanging youth delegations in last few years. He reached out to the Indian youth and mingled with them, sharing memories of his earlier visit to India 27 years ago as head of a Chinese youth organization. Li said “In a few days, I will make India the first stop of my first overseas visit as the premier of China. I’ve made this decision not just because India is an important neighbor and one of the most populous countries in the world, but also because of the seeds of friendship sown during my own youth” (*China Daily*, May 16).

Extending the charm offensive further, Li reached out to the Indian readers through an article, which appeared in his name in a prestigious English-language daily, where he reiterated his earlier visit to India (*The Hindu*, May 12). As expected, however, the April 15 border intrusion dominated his discussion with Prime Minister Singh on the very first day of his visit, when the Indian prime minister hosted a private dinner at his residence. Dr. Singh, both in the restricted and delegation-level talks as well as in his public statements, made it clear that peace and tranquility on the border is the “foundation” of the relationship. According to informed sources, Premier Li acknowledged and understood India’s position. Other important security issues, such as the effect of China’s growth on rivers with Chinese headwaters, also were discussed (*Xinhua*, May 20).

The ballooning trade deficit between the two countries was also discussed and according to sources, the Chinese side offered to give serious thought to opening Chinese markets to Indian products and services. India, however

expressed its reservation about Chinese desire for a bilateral Regional Trade Agreement. It is interesting to note that China has been evincing keen interest to invest in modernization of India's huge railway network, including the introduction of a high speed railway system. A close look at a similar Joint Statement with Japan suggests that Japan has a more favorable position and mentions that the two sides will co-finance a feasibility study of high-speed railway system on the Mumbai-Ahmedabad route (Ministry of External Affairs [India], May 29).

### Conclusion

The fact that the two Prime Ministers could discuss difficult and uncomfortable issues candidly reflects a certain degree of resilience in the relationship between China and India. New Delhi conveyed to the visiting Chinese Premier that the relationship between the two countries can be put on a sustainable basis only in the context of mutual sensitivities to their respective core interests. Firstly, at the personal level the visit provided the Chinese Premier with an opportunity to establish rapport with Indian leaders including Prime Minister Manmohan Singh. The border incursion however reflected persistence of the security dilemma between the two countries. Secondly, unlike earlier incidents of border incursion, the Depsang Bulge incident reinforced the urgency and the imperatives for beefing up defense preparedness to face occurrence of any such instances. The news that the Government of India is now actively considering the Ministry of Defense's proposal to raise 45,000 mountain strike troops at the cost of 810 billion rupees (approximately \$13.6 billion) is further suggestive that the wake up call has been heard.

Thirdly, it is not difficult to fathom the implication of the incident on India's foreign policy posture. Ever since India forged strategic partnership with Japan in 2006 it has been mindful of Chinese sensitivity. In recent times, however, there seems to be greater strategic partnership between India and Japan. Japan's Deputy Prime Minister Taro Aso visited India on May 4 at the height of the border stand off between India and China and talked of convergence between "maritime democracies." Later, Prime Minister Manmohan Singh, who could not visit Japan earlier last year due to dissolution of Japanese Parliament, visited Japan in late May. Significantly, the Joint Statement signed between the two countries "expressed

their resolve to further consolidate and strengthen the Strategic and Global Partnership between India and Japan in the years ahead, taking into account changes in the strategic environment. As a new initiative the two Prime Ministers also launched the bilateral Maritime Affairs Dialogue. Yet on another front, India's Defense Minister visited Australia, Singapore, and Thailand and India's External Affairs Minister visited New Zealand. While in Singapore the agreement to allow Singapore to train its forces at Indian Army establishments for an additional five years was renewed, in Thailand India's Defense Minister A.K. Antony reiterated India's support for freedom of navigation and emphasized on maritime security. Antony is also the first Indian Defense Minister to have visited Australia. In a calibrated approach, Antony will, however, visit China this month. Thus India is using a nuanced approach in its dealing with China. One thing is sure, New Delhi has neither the inclination, nor the capability to contain China. India might be able to choose its friends, but not its neighbor.

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### Notes:

1. Brahma Chellaney, *Asian Juggernaut: The Rise of China, India and Japan*, New York: HarperCollins, 2006, pp. 298–300.

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## NATO and Its Limits in the Asia-Pacific

By Theresa Fallon

A NATO delegation headed by the Chairman of NATO's Military Committee, General Knud Bartels, took active part in the Shangri-La Dialogue in Singapore from May 31 to June 2. General Bartels discussed regional security with counterparts from Asian countries including General Shigeru Iwasaki, Chief of the Joint Staff of Japan's Self Defense Force and Lieutenant General Qi Jianguo, Deputy Chief of General Staff of China's People's Liberation Army (PLA) in which they reportedly

had an open discussion on the security situation in Central, South and Northeast Asia (NATO.int, June 2; China Military Online, June 3). NATO's engagement comes at a propitious time. Japan has lobbied NATO to increase its engagement in Asia to act as a counterweight to China's rise. As a NATO partner, Japan has been a generous contributor to International Security Assistance Force (ISAF) in Afghanistan. China seems to be realizing that it needs to engage NATO over Afghanistan, which is crucial for the stability of its own borders. At the same time, China remains wary of NATO as a tool of U.S. power and is opposed to a NATO role in Northeast Asia. Beijing's fears, however, may be assuaged by NATO's minimal commitment to the region and the seeming hollowness of the alliance's values as a guide for policy in East Asia.

In mid-April, NATO Secretary General Anders Fogh Rasmussen visited Tokyo, where, on April 15, he and Japan's Prime Minister Shinzo Abe signed a joint political declaration between Japan and the North Atlantic Treaty Organization (NATO.int, April 15). It was the first time that NATO and Japan released a joint document and confirmed that they share common values. Japan is one of NATO's "partners across the globe" (NATO.int, March 19, 2012) [1]. Japan's support to NATO has included assistance in the Balkans, anti-piracy operations in the Gulf of Aden and in the reconstruction of Afghanistan. After the signing of the document, the Secretary General gave a speech at the Japan National Press Club where he took questions (NATO.int, April 22). During the Secretary General's trip he met with Japan's Minister of Foreign Affairs, Fumio Kishida, Defense Minister, Itsunori Onodera and Chairman of the Japanese Parliamentary Committee on Foreign Affairs, Katsuyuki Kawai and had discussions with Diet members related mostly to security issues (Japan Ministry of Foreign Affairs, April 9).

The long-anticipated visit was overshadowed in the news cycle by U.S. Secretary of State John Kerry's announcement in a press conference in Tokyo that the U.S. United States was "open to negotiation" with North Korea (BBC, April 15; *Guardian*, April 15, *New York Times*, April 15). Aung San Suu Kyi also was in town for a separate meeting, crowding the news cycle. Secretary Kerry spoke on the same day as Rasmussen and news coverage of the Secretary General's visit was wanting. Shortly before arriving in Tokyo, Kerry announced in Beijing a desire to

have a special relationship with China (U.S. Department of State, April 13). The United States only has two other special relationships: one with Israel, the other with the UK. Perhaps this was not the message the Japanese government had envisioned. Although largely ignored by the international media, Secretary General Rasmussen's visit had not escaped the Chinese press. Xinhua reported "Japan, NATO agree to boost security cooperation" (Xinhua, April 15). In the *People's Daily*, an editorial on how "Values Diplomacy Can Never Have Good Results" criticized the NATO-Japan discussions and conflated Japan's military past with what the writer described as Prime Minister Abe's "values strategy" (*People's Daily*, April 17).

### NATO and Japan

Rasmussen's visit was not the first official contact between NATO and Japan. Already in the early 1990s, the two sides started a strategic dialogue at the level of senior officials, which took place alternatively at NATO HQ in Brussels and in Japan. This dialogue became more structured over time and led to official visits by then NATO Secretary General Jaap de Hoop Scheffer in April 2005 and in December 2007. Prime Minister Abe visited Brussels in January 2007 and addressed the North Atlantic Council calling for closer cooperation. Japan's Foreign Minister Takeaki Matsumoto also met Rasmussen in Brussels in May 2011. For over three years, Japan has worked with NATO to organize a return visit of the Secretary General to Japan and for a political declaration on cooperation. Japan hoped NATO could offer political support in its recurring maritime disputes with China. Japanese scholars also have called for NATO to communicate "strategic ambiguity" toward China; namely, not to exclude the possibility that NATO might take sides with U.S. allies in a conflict against China in the Asia-Pacific region [2].

Over the last 20 years, Japan accumulated political capital with NATO through considerable funding of alliance operations in the Balkans and then in Afghanistan. Even after Japan suffered the three devastations—earthquake, tsunami and nuclear disaster—it continued the same level of funding to Afghanistan. Japan provided valued support for the ISAF and contributed to reconstruction and development efforts, even becoming the number one builder of roads. In July 2012, Japan organized an international donors' conference for Afghanistan in

Tokyo and pledged \$5 billion of its own money over a five-year period. NATO had internal discussions on how to respond to Japan. Many European members of NATO had concerns about their own volatile neighborhood and did not want to spread NATO resources too thin or become involved in a region in which their own economic interests may be exposed. In addition, the creeping demilitarization of Europe has made it implausible that NATO would even be able to project power in the Asia-Pacific. Europeans are nervous that the U.S. rebalancing will earmark limited resources for Asia, forcing unwanted tradeoffs in Washington.

### NATO and China

NATO developed relations with China later than with Japan. Contacts were totally absent during the Cold War and throughout most of the 1990s. In 1999, the bombing of the Chinese embassy in Belgrade gave rise to strong official protest and nationalistic demonstrations against NATO, which was perceived as a hostile force. After the September 11, 2001 terrorist attacks and NATO deployment in Afghanistan, however, China started to show interest toward the alliance. Afghanistan also was a security concern for China. In 2002, the Chinese Ambassador met for the first time with then-Secretary General Lord Robertson in Brussels. Several high-level meetings followed, including a visit of then NATO Deputy Secretary General Bisogniero to China in November 2009 (NATO.int, November 10, 2009). NATO, however, has no structured strategic dialogue as in the case of Japan and, to date, no NATO Secretary General has visited China.

NATO shares important security interests with China including the stability of Afghanistan and Central Asia as well as the fight against maritime piracy and the proliferation of weapons of mass destruction. In particular, NATO considers China a key player on Afghanistan, even if Beijing has been slow to realize its own importance (“Shifts in Beijing’s Afghan Policy: A View from the Ground,” *China Brief*, November 5, 2012). China has given NATO political support as a member of the UN Security Council and also has increased its economic presence in the country through aid and investment. Total Chinese aid to Afghanistan is estimated at over \$1 billion, but the real Chinese investment concerns resource extraction projects. For example, a \$3.7 billion deal signed in November 2007 by a Chinese company

to develop the Anyak copper mine south of Kabul was the largest single deal ever signed in the country (Xinhua, February 13, 2012). Afghanistan shares a border with China and is also of importance to China as a possible corridor for the transport of goods and for oil and gas pipelines from South and Western Asia. Furthermore, China offers some limited training to Afghan security forces. NATO has every interest in maintaining good relations and good cooperation with China. Any friction with China could jeopardize its operations in Afghanistan and elsewhere.

Although Chinese officials have approached NATO warily, they officially have expressed an interest to work with them on the basis of “mutual trust, mutual benefit, equality and coordination” (*China Daily*, May 21, 2012). Indeed, academic interest in NATO is gaining traction in China; two new institutes dedicated to the study of NATO have been proposed one at Renmin University in Beijing and another in Shanghai [3]. China’s efforts to understand NATO and improve contacts with it were celebrated with the graduation in December 2012 of Rear Admiral Ji Li who participated in a NATO Defense College program in Rome.

### Values-Based Diplomacy?

In his speech in Tokyo, Rasmussen emphasized the common values that both Japan and NATO share. He stated “NATO and Japan are like-minded. We share the same values. We share the same security challenges. And we share the same desire to work together. So we can help the United Nations and the international community to reinforce the rules-based international system. And to build security and stability—both in our own regions, and beyond” (NATO.int, April 22).

Although they share common values, Rasmussen added, “But let me make one thing clear. The Alliance’s global perspective does not mean that NATO seeks a presence in the Asia-Pacific region. What it does mean, is that NATO seeks to work with the Asia-Pacific region. And Japan is a key partner for this endeavor.” During his trip, Rasmussen maintained a certain distance on issues between Japan and China. In the speech, Rasmussen did not mention China, which must have been a disappointment to Japanese policymakers. At the National Press Club, Rasmussen was asked about China, which seemed a fair enough question

since there has been increased friction in the region which included a fire-lock on Japanese ships by Chinese military vessels. Rasmussen replied in what some observers have noted was a carefully prepared expression: “We do not consider China a direct threat to NATO Allies. We hope that China will use its increasing influence on the international scene in a peaceful way and in a constructive way to maintain international peace, security and stability.” Rasmussen carefully used appropriate words to refer to China and its international role.

While in Tokyo, Rasmussen continued with a China pitch, “I would very much like to see a strengthened dialogue between NATO and China. NATO operates on the basis of United Nations mandates. And we have special relationships with four out of the five permanent members of the United Nations Security Council. Because three of them are allies: the [United States], UK and France. And with the fourth, Russia we have a special partnership rooted in the NATO-Russia Council. So we have a structured dialogue with four of five permanent members of the UN Security Council. But with the fifth, China, I would like to see a more structured dialogue. We have some dialogue. But it could be enhanced. And that could, I think, also contribute to preventing any misunderstandings. “Despite the fact that Japan shares the same Western democratic values of governance on which NATO is built, Rasmussen was careful not to send any signal that could be interpreted as a sign of support for Japan in a possible conflict with China. During the question-and-answer period, he said very clearly that “NATO has no intention to be present as an alliance in Asia.”

Rasmussen thus dispelled any sign of a possible NATO “strategic ambiguity” or principled stand for which Japan might have wished. In Tokyo, Rasmussen also signed a joint statement that had been negotiated at length beforehand within NATO. In the joint statement, the words “ensuring freedom of navigation” are mentioned in a paragraph on principles of cooperation. This could be read as a reference to the East China Sea dispute between Japan and China. When it comes to the list of possible areas for further dialogue and cooperation in paragraph 10, however, “maritime security” is immediately qualified with the words “especially counter piracy.” In the same list, “disarmament” is qualified with “in particular related to small arms and light weapons.” It appears that the

qualifications were added on the NATO side on France’s insistence. A Japanese official privately told this author “We don’t expect NATO to take concrete actions but do expect them to supply moral support and emphasize that issues in Asia need to be resolved by peaceful means. We hope NATO will encourage China to become more rules-based” [4].

### The Limits of Global NATO 2013

The 2010 NATO Lisbon Strategic Concept aimed at developing partnerships with countries and organizations across the globe (NATO.int, November 19, 2010). As Rasmussen emphasized in the Q&A session that followed his speech, “NATO has no intention to be present as an alliance in Asia. But we would very much like to engage with nations in Asia.” He wished to, “see a more structured China-NATO dialogue. But obviously it would also be to the benefit of the security in Asia if a multilateral dialogue could take place among major players in this region.” He closed with, “I think actually that Asia needs more and stronger multilateral structures to deal with potential conflicts.” It is not clear, however, what concrete action NATO would take to persuade China and other players to pursue a multilateral approach to dispute resolution and to help bring about the desired dialogue in the region.

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#### Notes:

1. Other partners include Republic of Korea, Australia, New Zealand, Iraq, Afghanistan, Mongolia and Pakistan.
2. Masako Ikegami, “NATO and Japan: Strengthening Asian Stability,” NATO Review, 2007, Available online <[http://www.nato.int/docu/review/2007/Partnerships\\_Old\\_New/NATO\\_Japan/EN/index.htm](http://www.nato.int/docu/review/2007/Partnerships_Old_New/NATO_Japan/EN/index.htm)>.
3. Author’s interview with military analyst, Brussels, May 2013.
4. Author’s interview with Japanese official, Brussels, April 2013.

## Exploring the Significance of China's Membership on the Arctic Council

By Stephen Blank

The recent decision of the Arctic Council to admit China and several other Asian states to observer status there represents an epochal decision for both Arctic and Asian affairs. China, Japan, India, South Korea, Singapore, and Italy all won observer status—the inclusion of so many observers from Asia highlighting the importance of these markets. This decision also means that Asian voices will be heard for the first time in decisions regulating Arctic use and commercial exploitation as that ocean becomes more accessible due to climate change. Indeed, a Chinese shipping company is planning China's first commercial voyage through the Arctic later in 2013 (*South China Morning Post*, May 16).

China's growing interest in the Arctic has long since been a matter of record [1]. In 2012, the Chinese icebreaker *Xue Long* (Snow Dragon) became the first Chinese vessel to navigate the Northern Sea Route into the Barents Sea going from Iceland to the Bering Strait via the North Pole. This trip encouraged Chinese officials to think seriously about commercial exploitation of the Arctic in the belief that, by 2020, 5–15 percent of China's international trade—mainly container traffic—would use the route, amounting to anywhere between 125,000 to 375,000 tons (Reuters, March 12).

China, however, is not alone in seeking to maximize the economic, trade and commercial benefits it stands to gain by being in the council. Even Singapore's "Arctic diplomacy" is driven primarily by an ambition to exploit an emerging market niche in which it sees itself as a technological and expertise leader (*Straits Times*, May 21). For the other Asian states now on the council, that commercial and trade also clearly means access to energy riches. China is again not alone in its ambitions. In January this year, Indian Foreign Minister Salman Khurshid stated that India's energy requirements were growing at a "terrifying pace."

"He further observed that if India continued to grow at its current rate of 8–9 percent, its energy import dependence would also increase dramatically. Khurshid projected that India would be importing up to 57 percent of its coal, 94 percent of its oil, and 57 percent of its gas within the next two decades, compared to 15 percent for coal, 80 percent for oil, and 15–18 percent for gas currently. India now imports 70 [percent of its oil and 80 percent of its liquefied natural gas (LNG) from the Middle East. But given recent instability in that region, there is a sense of urgency in India about pursuing more diverse sourcing options. This will include supplies from the Russian Arctic and Far East and the Pacific coast of North America as well as fields in the South China Sea itself. All of these sources will depend on freedom of navigation on the high seas. To secure that freedom, India will require greater coordination with Japan as well as some kind of understanding with China" (World Politics Review, February 11).

Consequently, India is discussing a potential \$5 billion investment by an Indian consortium of hydrocarbon companies in the northern Alberta oil sands deposit being developed by Conoco Phillips as well as other Arctic and North American locations and the acquisition of a stake in Russia's Trebs and Titov fields in northwest Russia as part of the the Pechora region's fields and also possibly deposits on the Arctic Yamal peninsula (Financial Express Online [India], December 18, 2010). India also is a potential destination for Liquefied Natural Gas (LNG) shipped from Canadian liquefaction terminals in British Columbia. Indeed, India's government recently announced that it refuses to lay down a quota for importing oil (and presumably gas) from any country, including Iran. India will buy oil (and again presumably gas) from wherever "it gets the best deal" (*The Economic Times* [India], April 10).

India's interest in the Arctic and North Pacific is not just an outgrowth of its energy partnerships with Russia on

Sakhalin. Indian media commentary states that if India is to be seen as a viable contender for membership in the UN Security Council it must become much more active diplomatically in regard to the “behind the scenes exercises to shape the future of the Arctic.” A second reason for upgrading its diplomacy concerning the Arctic is to check China’s interest in grabbing access to energy holdings lest India be left out of this race (Daily News and Analysis Online [India], November 11, 2012). Other commentators have given additional reasons for India’s need to expand its energy perspectives into the North Pacific and the Arctic. They decried India’s frosty relations with Denmark—one of Arctic Council member states—and also warned that if India does not develop an Arctic policy and try to restrain China, it is “heading for near diplomatic disaster” (Daily News and Analysis Online, November 11, 2012). Thus, apart from purely commercial considerations of trade and access to energy sources, classic geopolitical strategic rivalries and identity politics also play no small role in driving the policies of states interested in the Arctic [2].

All these motives—enhanced commercial opportunity, access to energy sources in the Arctic, increased international status as a member of the council, etc.—pertain to China. Given the extent of China’s preexisting interest and claims in the Arctic, Beijing gains perhaps even more from inclusion as an observer to the Arctic Council. An article in *Beijing Review* claimed that other actors were trying to exclude China but by dint of enormous exertions and large expenditures of funds to finance energy infrastructure in Russia and Canada as well as its own scientific program of Arctic research “China has ultimately managed to reshuffle the Arctic balance of power in record time.” More crassly, one might suggest China paid dearly for its newfound status. Nevertheless China will not only gain real access to state of the art Icelandic clean energy technologies, it also will gain leverage and influence in Iceland itself and that influence, once Iceland joins the Council, will redound again to China’s benefit (*Beijing Review*, May 17).

Beyond these considerations China gains even more legitimate access to the Arctic beyond bilateral deals with individual states like Russia (*China Daily*, May 23). Even before the Council decision, Rosneft and Gazprom were competing to offer China access to the Arctic. Moreover,

during the recent visit by Xia Jinping, new deals between Rosneft and China to explore the Arctic were signed (*Barents Observer*, March 25). Similarly, even before the Council decision, China’s commercial perspective on the Arctic was already growing and this decision will only allow it to consolidate those gains. Recent Taiwanese reports suggest by 2020 China is expected to be shipping 15 percent of its exports through this route using Chinese rather than Russian icebreakers, further reducing Russia’s alleged advantages as an East-West transit and trade corridor between Europe and Asia. China also has sought permanent observer status on the Arctic Council as part of its commercial drive here (Central News Agency [Taiwan], May 23). China also is clearly very interested in exploring the mining riches of other states in and around the Arctic, e.g. Greenland’s copper and iron ore and in using Iceland as a future transport hub for Arctic shipping (*New York Times*, March 22; Caixin Online, July 12, 2011). Beijing also will gain a voice in the important Arctic fishing industry and fishing is a very big business for China.

Beyond even these considerable commercial and energy, investment and trade access gains, China also gains strategically. Beijing now has access to a body that can and will probably have to take serious decisions about climate change that already are affecting China seriously and has done so in the past (*China Daily*, May 23). China also will have a secure footing from which it can defend what it will claim to be its “legitimate rights” in the Arctic (*Xinhua*, May 16). It is quite conceivable that China will use that foothold to demand a voice in the resolution of Arctic territorial boundaries that are being negotiated. In 2009–10, Beijing had claimed that no state had sovereignty in the Arctic, a clear slap at Russian claims (China News Service, March 5). Now, to join the Council, it had to repudiate that position and state that it respected the sovereignty of all the states claiming territory in the Arctic but accept that the decision will be made in the future—a sharp contrast to its rigid insistence on its “core interests” and sovereignty in the Senkakus and the South China Sea. Indeed, given those claims, Beijing had no choice but to do so. Nonetheless, it now calls itself a “near-Arctic state” and an “Arctic stakeholder” (*Beijing Review*, May 17).

In this context a paper by Tang Guoqiang for the Ministry of Foreign Affairs-administered China Institute of International Studies claims that unnamed “military experts” believe “that to dominate the Arctic is to control the commanding point in the world military affairs” [3]. If that perspective accurately characterizes Chinese strategic thinking, the opportunity to participate in demarcating Arctic maritime and land boundaries is of considerable value to Beijing.

The possibility for intensified strategic rivalries in the Arctic where China will either participate in the disputes or have to participate in attempting to adjudicate or resolve them should not be taken lightly. On February 27, President Putin told an expanded session of the Ministry of Defense Collegium the following:

“We see how instability and conflict are spreading around the world today. Armed conflict continues in the Middle East and Asia, and the danger of ‘export’ of radicalism and chaos continues to grow in our neighboring regions. At the same time, we see methodical attempts to undermine the strategic balance in various ways and forms. The United States has essentially launched now the second phase in its global missile defense system. There are attempts to sound out possibilities for expanding NATO further eastward, and there is also the danger of militarization in the Arctic. All of these challenges—and they are just a few of the many we face—are of direct concern to our national interests and therefore also determine our priorities” (kremlin.ru, February 27).

Putin singled out the Arctic here presumably because of its huge mineral and energy endowment. Russia, however, has embarked on a steady course of militarization in the Arctic that has forced European and NATO countries as well as Canada and potentially the United States to follow suit. At least in Europe if not in Asia (and observers should not forget the very tense maritime disputes now roiling Asia), there is clearly a race between militarization, irrational commercial exploitation and a more considered,

international approach to the use of the Arctic. China along with four other Asian states now have been invited formally into that race, and China has already been participating in it and will continue doing so with gusto. Which way will the Arctic and China’s policies go? That answer, unfortunately, remains to be seen.

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#### Notes:

1. Linda Jakobson, “China Prepares For an Ice-free Arctic,” Stockholm International Peace Research Institute, *SIPRI Insights on Peace and Security*, No. 2010/2, March 2010.
2. James Manicom, “Identity Politics and the Russia-Canada Continental Shelf Dispute: An Impediment to Cooperation?” *Geopolitics*, Vol. 18, No. 1, 2013, pp. 60–76.
3. Tong Guoqiang, “Arctic Issues and China’s Stance,” China Institute of International Affairs, March 4, 2013, Available online <[http://www.ciis.org.cn/english/2013-03/04/content\\_5772842.htm](http://www.ciis.org.cn/english/2013-03/04/content_5772842.htm)>.

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