

4. Panchsheel – International Relation

The CDS recently asserted that India viewed the 1954 Panchsheel Agreement as settling the northern boundary, a stance China rejected, leading to decades of unresolved territorial disputes. Despite recent diplomatic thaws and record trade, the relationship remains fragile due to persistent militarization along the LAC and China's expanding strategic influence in the Indo-Pacific.

CDS Statement – The Chief of Defence Staff (CDS) noted that India believed the 1954 Panchsheel Agreement effectively addressed the northern boundary question.

Divergent Views – However, China viewed the agreement differently, leading to persistent boundary disputes despite India's initial assumption of settlement.

Panchsheel Agreement (1954)

Background – Signed in 1954, wherein India formally recognized Tibet as part of China.

The Five Principles – The agreement was built on five core principles to foster peaceful relations –

1. Mutual respect for each other's territorial integrity and sovereignty.
2. Mutual non-aggression.
3. Mutual non-interference in each other's internal affairs.
4. Equality and cooperation for mutual benefit.
5. Peaceful co-existence.

Strategic Intent – Designed to promote trade and friendly bilateral ties. India assumed this agreement settled the northern border issue.

Recent Revival (2025) – The Chinese President underscored the need to cherish and promote Panchsheel. This coincided with a "reset" in ties, marked by PM Modi's visit to China after seven years.

The India-China Border Dispute

Line of Actual Control (LAC)

Perception Gap – India considers the LAC to be 3,488 km long, whereas China considers it to be only around 2,000 km.

Sector-wise Breakdown

Sector	Geography	Key Issues & Disputes
Western Sector	Ladakh	• Aksai Chin – Claimed by China post-1962 war as part of Xinjiang; originally part of Indian state of Jammu & Kashmir. • Major friction points like Galwan Valley.
Middle Sector	Uttarakhand & Himachal Pradesh	• Generally the less disputed section. • However, recent issues like the Doklam standoff and Nathu La Pass trading disruptions have caused distress.
Eastern Sector	Arunachal Pradesh & Sikkim	• McMahon Line – Differentiated India and China here. • 1962 War – PLA occupied 9000 sq. km but stepped back after a unilateral ceasefire. • Current Status – China claims the whole of Arunachal Pradesh as its own territory.

India-China Relations – Timeline & Status

Milestone – 2025 marks 75 Years of diplomatic ties.

Historical Tensions – Relations have been strained since the 1962 Sino-Indian war.

2020 Galwan Clash – Deepened mistrust; led to India restricting Chinese investments, banning apps, and halting direct flights.

Economic Paradox – Despite political tensions, economic ties remain robust.

2025 Trade Record – Bilateral trade hit high of \$155.6 billion (over 12% YoY growth).

Diplomatic Mechanisms – Special Representatives (SR) mechanism. Working Mechanism for Consultation and Coordination (WMCC) on border affairs.

Recent Thaw (2024–2025)

Disengagement – Announced successful disengagement in eastern Ladakh (2024).

Leadership Dialogue – PM Modi and President Xi emphasized “mutual trust, mutual respect, and mutual sensitivity” (Oct 2024).

Normalization – Resumption of direct flights and PM Modi’s visit to China for the SCO summit in 2025.

Areas of Concern

Security & Border Issues

Unresolved Dispute – The 2,000+ mile border remains undefined, leading to frequent clashes.

Militarisation – Rapid infrastructure construction and large-scale troop deployment along the LAC by both sides increase escalation risks. China–Pakistan Nexus – Deepening strategic cooperation, specifically the China–Pakistan Economic Corridor (CPEC).

Sovereignty Issue – CPEC passes through Pakistan-occupied Kashmir (PoK), which is Indian territory.

Economic Challenges

Trade Imbalance – Significant trade deficit for India.

Dependency – Heavy reliance on Chinese imports for critical sectors like electronics, APIs (pharmaceuticals), telecom equipment, and solar panels.

Strategic Encirclement (String of Pearls)

Sri Lanka – Chinese presence at Hambantota Port and oil refinery investments.

Nepal – Infrastructure influence (e.g., Pokhara airport) challenging India's strategic leverage.

Bangladesh – Growing Chinese influence through loan agreements.

Myanmar – The China–Myanmar Economic Corridor strengthening China's presence in India's backyard.

India’s Strategic Response

Military & Security

Preparedness – Enhanced troop deployment, advanced weapon systems induction, and improved surveillance in Ladakh and Arunachal Pradesh.

Maritime Security – Expanding naval capabilities to counter China's Indian Ocean presence.

Diplomatic & Global Partnerships

Indo-Pacific Strategy – Active participation in the Quad (Quadrilateral Security Dialogue).

Defence Cooperation – Deepening ties with the US, Japan, Australia, and France.

Infrastructure Alliances – Joining the Global Infrastructure Facility and India–Middle East–Europe Economic Corridor (IMEC) to counter Belt and Road Initiative (BRI).

Technological & Economic Sovereignty

Cyber Security – Excluding high-risk vendors from telecom infrastructure.

Digital Ecosystem – Promoting trusted, indigenous digital platforms.

Import Substitution – Reducing reliance on Chinese goods in critical sectors like renewable energy and electronics.

Way Ahead

Surveillance – Maintain constant vigilance over border areas and the Indian Ocean Region.

Monitoring – Closely track geopolitical and technological developments impacting national security.

Balanced Approach – Combine firmness on sovereignty and territorial integrity with calibrated diplomacy and strategic autonomy.

Source – <https://www.thehindu.com/news/national/after-independence-india-wanted-good-ties-with-china-cds-anil-chauhan/article70629465.ece>

