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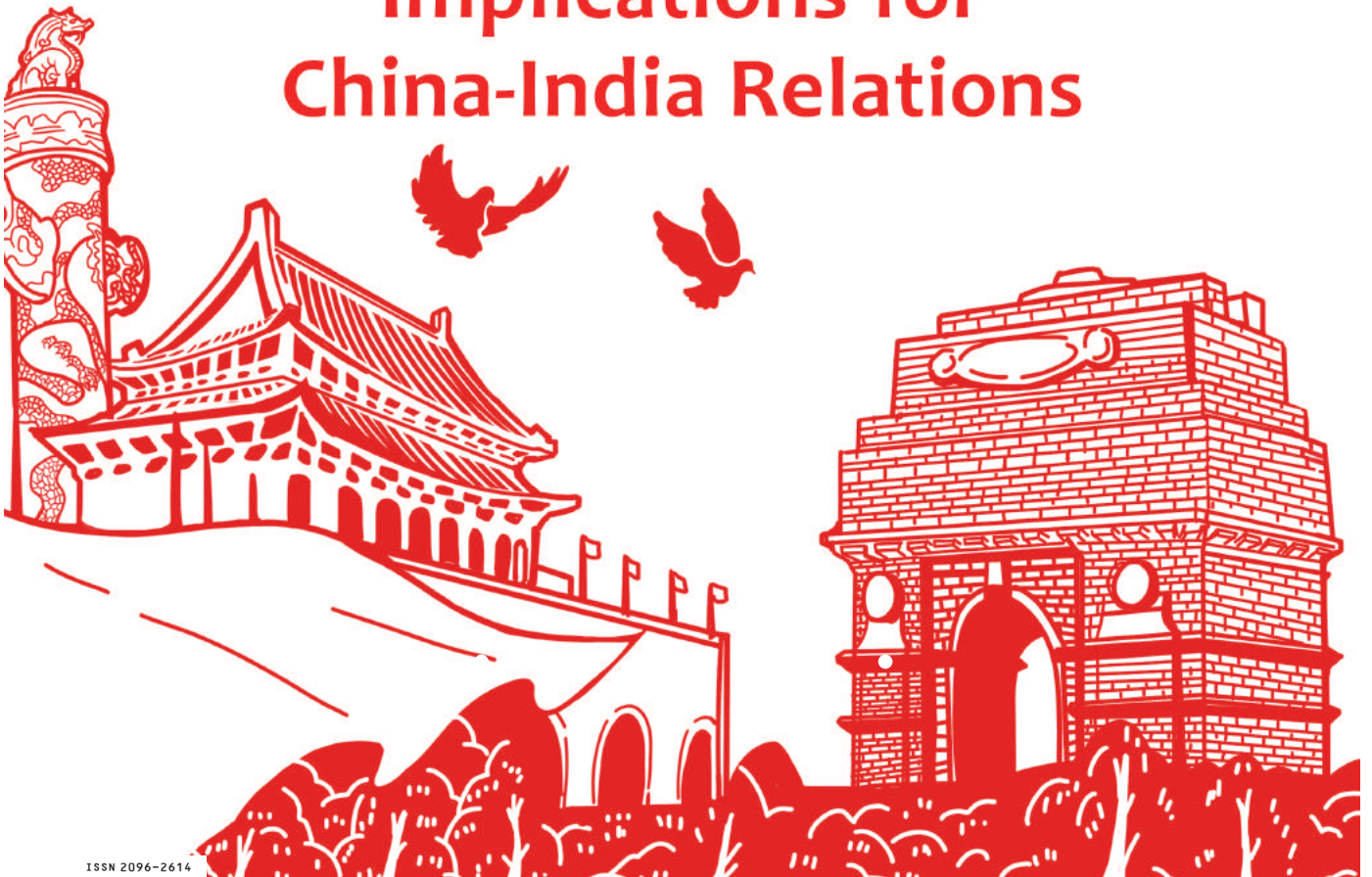
The Xi Path
to Prosperity

CHINA-INDIA DIALOGUE

China-India Relations
after the 19th CPC
National Congress

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19th CPC National Congress Implications for China-India Relations



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Xi Meets Modi

Chinese President Xi Jinping met with Indian Prime Minister Narendra Modi in Xiamen, Fujian Province on September 5, 2017. Modi came to Xiamen to attend the Ninth BRICS Summit and the Dialogue of the Emerging Market and Developing Countries.

Noting that the two neighboring countries are the world's two largest emerging markets and developing countries, Xi said to Modi that healthy and stable bilateral relations are in line with the fundamental interests of the two peoples, and the expectations of the region and the international community.

The leaders of China and India have in recent years reached wide consensus on how to advance bilateral ties, agreed on building a closer partnership, and set long-term development goals. Much progress had been achieved in advancing the ties, he added.

China is willing to work with India on the basis of the Five Principles of Peaceful Coexistence to improve political mutual trust, promote mutually beneficial cooperation, and push Sino-Indian ties along the right track, he said.

Congratulating Xi on a successful BRICS summit, Modi said that the Xiamen summit played a key role in stepping up cooperation of BRICS countries under the current circumstances.

India is ready to work with China to develop stable ties. He expects the leaders of the two countries to maintain close communication and play a leading role in developing the ties.

He agreed that India and China should not see each other as rivals and should instead make cooperation the focus of bilateral relations.

The two sides should advance mutual political trust, expand practical cooperation, increase people-to-people exchanges, and jointly protect regional peace and stability.

India is willing to strengthen communication and coordination with China in international affairs.

19th CPC National Congress in Beijing

The 19th CPC National Congress was held from October 18 to 24 in Beijing, China. A total of 2,280 delegates from all walks of life attended the meeting.

On behalf of the 18th Central Committee of the CPC, General Secretary Xi Jinping delivered a report titled "Secure a Decisive Victory in Building a Moderately Prosperous Society in All Respects and Strive for Great Success of Socialism with Chinese Characteristics for a New Era."

Delegates elected a new Central Committee and a new Central Commission for Discipline Inspection and passed resolutions on a report of the 18th CPC Central Committee, a work report of the Central Commission for Discipline Inspection, and an amendment to the CPC Constitution at the closing session of the congress.

The 8th South Asia-Sichuan Business Promotion Roundtable Conference Held in Chengdu

The Eighth South Asia-Sichuan Business Promotion Roundtable Conference was held from September 13 to 15, 2017, in Chengdu, China's Sichuan Province.

As part of the conference, the South Asia Project Promotion and South Asia-Sichuan Enterprise Docking Meeting were launched on September 13.

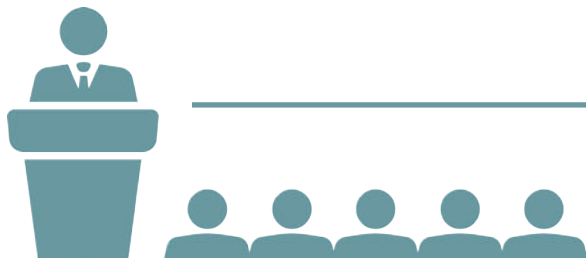
Participants from South Asian countries introduced various projects and engaged in face-to-face talks with the Sichuan enterprises on a series of in-depth cooperation projects under the framework of the Belt and Road Initiative, covering smart city construction, high-tech agriculture and food processing, as well as innovation exchanges among the young people. Government representatives, business industry association delegates and business professionals from China and South Asian countries attended the conference.

Sixth China-India Forum in Chengdu

The Sixth China-India Forum, co-organized by the Sichuan Academy of Social Sciences (SASS), Indian Institute for Social and Economic Change (ISEC) and International Management Institute of India, was momentarily held on the SASS campus in Chengdu, Sichuan Province, from September 13 to 14, 2017.

Themed “Economic Development and Poverty Alleviation,” the forum primarily focused on economic, trade and poverty issues in China and India in the new era. More than 120 foreign and domestic experts and scholars from fields of economics, society, culture, education and environment attended the event.

Professor Li Houqiang, CPC Committee Secretary of Sichuan Academy of Social Sciences, Hou Shuiping, President of Sichuan Academy of Social Sciences, Professor Arindam Banik, President of International Management Institute, Kolkata, and Professor Parmod Kumar from ISEC delivered speeches at the opening ceremony.



New CPC Central Committee's First Plenary Session

The 19th CPC Central Committee held its first plenary session in Beijing on October 25, 2017 and elected Xi Jinping as general secretary of the CPC Central Committee.

Xi presided over the plenum attended by 204 members and 172 alternate members of the CPC Central Committee.

The plenum elected members of the Political Bureau of the CPC Central Committee and its Standing Committee.

Based on the nomination of the Political Bureau Standing Committee, it endorsed members of the Secretariat of the CPC Central Committee and determined members of the CPC Central Military Commission.

It also approved the election of the secretary, deputy secretaries and members of the Standing Committee of the 19th Central Commission for Discipline Inspection (CCDI).

The other six members of the Standing Committee of the Political Bureau are Li Keqiang, Li Zhanshu, Wang Yang, Wang Huning, Zhao Leji and Han Zheng.

The 9th BRICS Summit Held in Xiamen

The Ninth BRICS Summit kicked off on September 4, 2017 in Xiamen, Fujian Province in southeastern China. Chinese President Xi Jinping chaired the summit. President Jacob Zuma of South Africa, President Michel Temer of Brazil, President Vladimir Putin of Russia and Prime Minister Narendra Modi of India were present.

Centered on the theme of “Stronger BRICS Partnership for a Brighter Future,” leaders of the five countries exchanged in-depth views on the current international situation, global economic governance, BRICS cooperation, international and regional issues and other topics, reviewed the ten-year history of BRICS cooperation, and reiterated the BRICS spirit of openness, inclusiveness, and win-win cooperation, reaching a series of consensus that map out blueprints and chart the course for the future development of BRICS cooperation.

At the end of the summit, the leaders signed the *BRICS Leaders Xiamen Declaration*, stressing the important role of people-to-people exchange in the cooperation and development of BRICS countries. 🇨🇳

The Xi Path to Prosperity

By Luo Zhaohui



At a critical stage of deepening reform and advancing modernization, both China and India need to foster a favorable external environment.

On October 24, 2017, in Beijing, the twice-a-decade National Congress of the Communist Party of China (CPC) successfully completed its week-long session where I was present as the Chinese ambassador to India.

As the most important outcome, the 19th CPC National Congress endorsed Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as the guiding ideology that the whole party will long adhere to.

First of all, the Thought originates from the political judgment that socialism with Chinese characteristics has crossed the threshold into a new era. China has

witnessed historic changes since reform and opening up which were started nearly 40 years ago, and especially the changes in the past five years. The Chinese nation has undergone a tremendous transformation – from post cultural revolution difficulties to moderate prosperity.

Second, the Thought originates from the new changes of the principal contradiction in Chinese society. It has greatly evolved from the contradiction between the ever-growing material and cultural needs of the people and the backwardness of social production to the one between unbalanced and inadequate development and the people's ever-growing needs for a better life. The evolution of

the principal contradiction in Chinese society has raised new demands for the work of the Party and the state. We will devote ourselves to addressing development's imbalances and inadequacies and driving China's economy from a phase of rapid growth to a stage of high-quality development, in a bid to meet the people's ever-growing demand for a better life.

Third, the Thought will serve as a guideline to implementing the new blueprint. As per achieving the Two Centenary Goals, China aims to accomplish the task of building a moderately prosperous society in all respects by 2020 before the CPC celebrates its centenary anniversary. Building

on this achievement, we will strive for developing China into a strong modern socialist country by 2050 after the country celebrates its centenary anniversary. The 19th CPC National Congress has drawn up a two-step approach to achieve this goal. In the first stage from 2020 to 2035, socialist modernization will be basically realized. In the second stage from 2035 to 2050, we will develop China into a great modern socialist country that is prosperous, strong, democratic, culturally advanced, harmonious, and beautiful.

Fourth, the Thought is abundant in content which includes driving reform to a deeper level in all respects, advancing law-based governance, exercising full and rigorous governance over the Party as well as policy guidance on political affairs, economy,

culture, education, foreign affairs and national defense. The overarching goal is to realize socialist modernization and the great rejuvenation of the Chinese nation.

I have noticed that the Indian media pays close attention to the 19th CPC National Congress. The emerging concerns and misgivings focus on the allegation that a rising China would be a threat. The doubts are pretty much misplaced.

First, to bring China's new blueprint into reality, we are committed to building a moderately prosperous society in all respects and thereafter developing a great modern socialist country. China will maintain a stable society with booming economy, which in itself contributes to world peace and stability.

Second, to bring the new blueprint into reality, China

will certainly make greater contribution to world peace and development. The essence of General Secretary Xi Jinping's Thought on Diplomacy is to forge a new form of international relations featuring mutual respect, fairness, justice, win-win cooperation, and a community with a shared future for mankind, and to build an open, inclusive, clean, and beautiful world that enjoys lasting peace, universal security, and common prosperity. China is opposed to zero-sum game and never seeks hegemony.

Third, to bring the new blueprint into reality, China will continue making development its top priority, further reform and opening up, and promote its integration into the world. It will present a greater opportunity for China to advance mutually beneficial

October 18, 2017: The 19th National Congress of the Communist Party of China opens at the Great Hall of the People in Beijing. [Xinhua]





October 31, 2017: Xi Jinping, general secretary of the Communist Party of China (CPC) Central Committee, leads the other six members of the Standing Committee of the Political Bureau of the CPC Central Committee in reciting the admission oath as they face the Party flag, during their visit to the memorial hall of the first CPC National Congress in Shanghai. [Xinhua]

cooperation with India and the rest of the world.

Fourth, to bring the new blueprint into reality, China highly needs a stable and sound international environment and order. This has determined that China must stay committed to an independent foreign policy of peace, upholding the Five Principles of Peaceful Coexistence, and promoting friendship with its neighbors.

In a word, to make new and greater contributions to mankind is our Party's abiding mission. General Secretary Xi Jinping's Thought on Diplomacy is highly innovative and consistent. It will further enhance interactions between China and the outside world, and exert a positive influence on the international community.

After the 19th CPC National Congress, China's diplomacy has already taken on a new

look. Russian Prime Minister Dmitry Medvedev made a successful visit to China. President of the United States Donald Trump will visit China soon. Chinese leaders will later attend the APEC Economic Leaders' Meeting, the Series of Leaders' Meetings on East Asia Cooperation and visited some other countries. China-ROK and China-Japan relations have also made positive progresses.

China and India are both developing countries and face common tasks of developing the economy and improving their people's wellbeing. At a critical stage of continuing reform and advancing modernization, both countries need to foster a favorable external environment. China and India are neighbors that cannot be moved away. We live under the same sky. As important members of BRICS and the SCO, China and India are committed to

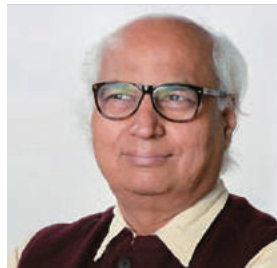
advancing globalization and multi-polarity and upholding democracy in international relations. We believe that the New India initiative proposed by Prime Minister Narendra Modi and the Chinese Dream are closely linked and can work synergistically as well.

The Chinese government attaches great importance to its relations with India. President Xi Jinping and Prime Minister Narendra Modi have met many times. In early September, the two leaders reached important consensus on bilateral relations during the meeting in Xiamen, China. We need to implement the consensus, enhance mutual trust and focus on cooperation while properly managing differences in a bid to develop our bilateral relations to a new level. ^[6]

The author is the Chinese ambassador to India.

What Does the 19th CPC National Congress Mean for China-India Relations and the World?

By Sudheendra Kulkarni



Today there is no other leader in the world who is speaking with such conviction about a bright and common future for the entire global community.

The 19th National Congress of the Communist Party of China (CPC) was undoubtedly of historic significance for China. General Secretary Xi Jinping's report to the Congress set ambitious goals, a clear direction and a believable roadmap for China's progress in the future until the middle of the 21st century. To transform China into a fully developed "modern socialist nation" by the middle of the century – by the time of the

second centenary goal of celebrating the 100th year of the founding of the People's Republic of China (PRC) – and to ensure that "common prosperity for everyone is basically achieved" is a bold and inspiring strategic objective. It captures the meaning of the "Chinese Dream" with all-round "national rejuvenation."

THE CONGRESS'S IMPLICATION FOR INDIA

However, Xi Jinping's

report also sent an equally momentous message from China to the rest of the world. And political leaders and scholars in India will surely study his message to the world with great interest and utmost seriousness. In particular, the following points have laid a good basis for friendship and cooperation between India and China.

Xi Jinping spoke with conviction about the need to continue globalization, preserve stability and

OPENING ESSAY

ensure peace in the world as a precondition for the development of all nations. He reassured sceptics that even as China enters an era that will see it “moving closer to center stage,” it “will continue to play its part as a major and responsible country.”

He clearly rejected “power politics” and the “Cold War” mentality of seeing the world divided into rival blocks. He said: “We should respect each other, discuss issues as equals, resolutely reject the Cold War mentality and power politics, and take a new approach to developing state-to-state relations with communication, not confrontation, and partnership, not alliance.” I would like to underscore here that India seeks partnership with China on the basis of equality.

Xi Jinping also reassured that China will pursue good-neighborliness with all its neighbors. He said: “China

will deepen relations with its neighbors in accordance with the principle of amity, sincerity, mutual benefit, and inclusiveness and the policy of forging friendship and partnership with its neighbors.” He further said that all issues between nations should be resolved through dialogue and not through confrontation.

Indian people and politicians will welcome these wise thoughts and assurances.

Just as a new era has begun in China’s efforts to build “socialism with Chinese characteristics,” from my point of view, a new era has also begun in international relations after the 19th CPC National Congress. The dominance of the U.S. and Europe in world affairs is rapidly weakening. China has announced it will move to the “center stage” of world affairs, while reassuring that it will always conduct itself in a “responsible” manner.

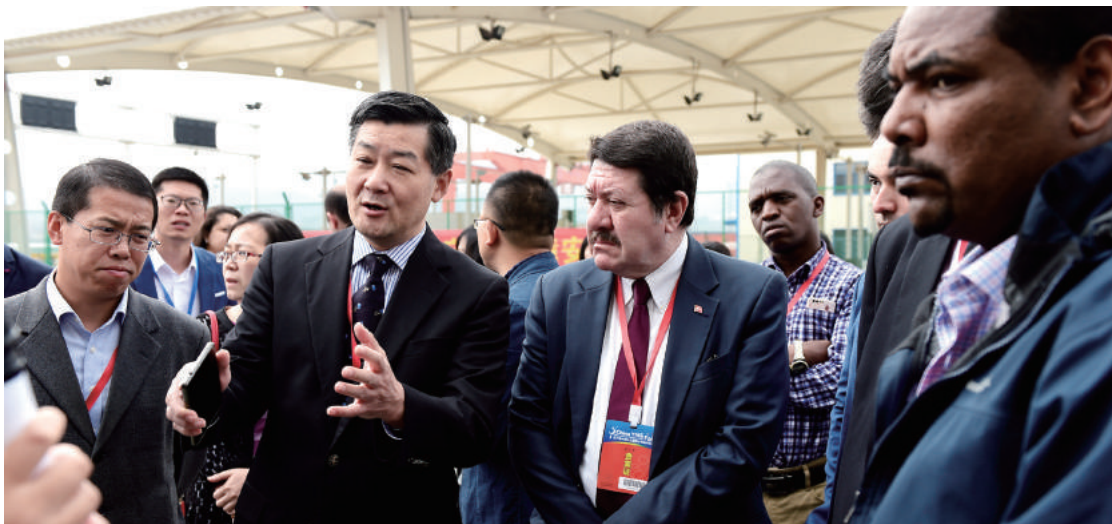
Xi Jinping’s statement in this regard is categorical. “No matter what stage of development it reaches, China will never seek hegemony or engage in expansion.”

A BRIGHT AND COMMON FUTURE FOR THE ENTIRE GLOBAL COMMUNITY

Xi also said: “We call on the people of all countries to work together to build a community with a shared future for mankind, to build an open, inclusive, clean, and beautiful world that enjoys lasting peace, universal security, and common prosperity.” Today there is no other leader in the world who is speaking with such conviction about a bright and common future for the entire global community.

Moreover, Xi Jinping emphasized the principles of equality and democracy in international relations when he said: “China stands for democracy in international

October 20, 2017: 51 diplomats from 21 countries including the U.K., India, Zambia, and South Africa visit the Yiwu West Railway Station in Zhejiang Province. This station in southeastern China is the beginning of the Yiwu-Madrid freight line. [VCG]



relations and the equality of all countries, big or small, strong or weak, rich or poor.”

However, there is yet another important pointer to profound wisdom in Xi Jinping’s report. For the first time, he has presented before the world the concept of a new ecological civilization by saying: “Man and nature form a community of life; we, as human beings, must respect nature, follow its ways, and protect it. Only by observing the laws of nature can mankind avoid costly blunders in its exploitation. Any harm we inflict on nature will eventually return to haunt us. This is a reality we have to face.” He has also promised that, besides taking tough measures to arrest and reverse environmental degradation in China, his administration will play a leading role in the global effort to achieve the Paris Agreement goals on climate change.

All these new concepts are bound to influence the global community, and create confidence in China’s leading role in world affairs in the coming times.

Xi Jinping is a leader who combines strength with sagacity, vision with will power. He has provided firm leadership to China in the past five years. His uncompromising anti-corruption drive caught the attention of people around the world. China’s role and prestige in global affairs rose considerably in the past five years. In particular, Xi Jinping presented the ambitious Belt and Road Initiative (BRI), which

seeks to establish modern connectivity networks linking Asia, Africa, Europe and beyond. It promises to give new impetus and vitality to globalization, making it more inclusive.

And then, at the 19th CPC National Congress, Xi Jinping announced that China will not rest on its past laurels but move towards achieving even more ambitious goals, which are beneficial to China and also to the rest of the world.

A NEW OPPORTUNITY FOR INDIA-CHINA COOPERATION

What struck me in Xi Jinping’s report to the 19th CPC National Congress is his wise civilizational approach to the future of mankind. He said: “We should respect the diversity of civilizations. In handling relations among civilizations, let us replace estrangement with exchange, clashes with mutual learning, and superiority with coexistence.”

This has a very positive message for India, and is bound to promote India-China friendship and cooperation. India and China are two ancient Asian civilizations. They have had constructive and peaceful exchanges for over 2,000 years. Now, both countries and their leaders should rediscover the wisdom of our civilizations and resolve our outstanding issues, including the border dispute, peacefully.

A new opportunity for India-China cooperation and partnership has arisen in the form of the BRI. Xi

Jinping has made it clear that BRI is a collaborative, not a proprietary, initiative. He said: “We should pursue the Belt and Road Initiative as a priority, follow the principle of achieving shared growth through discussion and collaboration, and increase openness and cooperation in building innovation capacity.”

I strongly advocate that India should join the BRI without any further delay as an equal partner. On its part, China should make efforts to allay India’s concerns and apprehensions. In particular, the China-Pakistan Economic Corridor (CPEC) should be expanded, extended and renamed by including India. India should get land access through Pakistan to Afghanistan, Iran and Central Asian republics, and China should get land access to the vast Indian market. The Bangladesh-China-India-Myanmar (BCIM) Economic Corridors should be speedily implemented. Moreover, BCIM-EC should be linked through northern India to the renamed CPEC.

This will create a grand and comprehensive South Asia-China Economic Corridor, which will change the destiny of the most populous region in the world. However, one thing is clear: All this is only possible if India and China cooperate and collaborate on the basis of equality. ■

—
The author is Chairman of Observer Research Foundation, Mumbai.

Socialism with Chinese Characteristics for a New Era

By Zhang Xixian

“Socialism with Chinese characteristics entering a new era” is based on the Chinese nation’s tremendous transformation—it has stood up, grown rich and become strong.

The report Xi Jinping delivered at the 19th National Congress of the Communist Party of China (CPC) declared that socialism with Chinese characteristics has crossed the threshold into a new era. And the exact meaning of “socialism with Chinese characteristics entering a new era” has become a widely discussed topic around the world.

The “new era” is based on the Chinese nation’s tremendous transformation—it has stood up, grown rich and become strong.

Before the founding of the People’s Republic of China in 1949, the Chinese nation endured more than a century of endless revolutionary struggles. Prior to 1949, imperialism, feudalism, and feudal warlords oppressed the Chinese people and destroyed the Chinese social and

economic bases. In 1951, the Chinese population accounted for one fourth of the world’s total, but the country’s gross national product (GNP) was only US\$10 billion and total state revenue was 10 billion yuan (US\$1.51 billion). In 1950, the latter figure was only 6.2 billion yuan (US\$937 million).

Starting from scratch, the Chinese people began building their own country under the leadership of the CPC. After 28 years of independent hard work, by the end of 1979, China’s GNP and state revenue had reached US\$100 billion and 114.6 billion yuan (US\$17.3 billion), respectively. The same year, the GNP of the United States was US\$2.6 trillion, 26 times higher than that of China. Per capita income in the U.S. was about 100 times that of China.

By 1999, two decades after the reform and opening-up policy was implemented,



China's GNP and state revenue exceeded US\$1 trillion and one trillion yuan (US\$150.7 billion), respectively. In 2010, China's gross domestic product (GDP) surpassed Japan's for the first time, making the country the second largest economy in the world.

According to the National Bureau of Statistics of China, the growth rate of China's GDP in the third quarter of this year reached 6.8 percent and the GNP of the country

is expected to surpass US\$12 trillion in 2017. At present, China's economy still maintains annual growth by more than six percent. More importantly, its economic structure continues to be optimized and new drivers of growth constantly emerge. All signs show that China's strength will only further increase under the guidelines set at the 19th CPC National Congress.

"Socialism with Chinese characteristics in a new

era" means that with more international influence, China is catching up to and surpassing the productive power of capitalist countries.

Building on past development, the Chinese people have realized innovation-driven development and historic reforms over the past five years since the 18th CPC National Congress in 2012, under the leadership of the CPC Central Committee with General Secretary Xi Jinping at its core.

October 25, 2017, Beijing: Xi Jinping, general secretary of the Central Committee of the Communist Party of China (CPC), and the other newly elected members of the Standing Committee of the Political Bureau of the 19th CPC Central Committee – Li Keqiang, Li Zhanshu, Wang Yang, Wang Huning, Zhao Leji and Han Zheng – meet the press at the Great Hall of the People. by Li Tao/ Xinhua





October 24, 2017: The 19th CPC National Congress closes in the Great Hall of the People in Beijing. by Xu Xun

Now China has been at the forefront of the world in terms of economic and technological strength, defense capabilities, and comprehensive national strength. China's international standing has risen unprecedentedly. The Party, the people, the armed forces, and the nation have changed in ways no one could have predicted. The Chinese nation, with an entirely new posture, now stands tall and firm in the East, radiating booming scientific socialism in the 21st century.

In this era, China has been moving closer to the center stage of the world, with the

banner of socialism with Chinese characteristics flying high. China is blazing new paths for other developing countries to achieve modernization. It offers an alternative for other countries that wish to speed up development while preserving their independence. Furthermore, China offers Chinese wisdom and a Chinese approach to solving the problems facing mankind.

The concept of building a community with a shared future for mankind proposed by China is becoming a new model for socialism with Chinese characteristics to

facilitate world development in the 21st century.

China has set a two-stage development plan for the period from 2020 to the middle of this century: Move on from a “moderately prosperous society” to basically achieve “socialist modernization” by 2035 and become a “great modern socialist country” by 2049, namely the 100th anniversary of the founding of the People's Republic of China. 

The author is a professor and doctoral tutor at the Party School of the CPC Central Committee.

China Enters a New Era with Xi at its Core

By Swaran Singh

Xi gave a marathon speech sharing wealth of information about China's past achievements as well as outlining his vision for an increasingly prosperous China as socialism with Chinese characteristics has "crossed the threshold into a new era."

The impressive opening ceremony of the 19th National Congress of the Communist Party of China (CPC) presented a spectacle of the united apex of the CPC. This was typical

China, producing an immaculate display of CPC discipline where the carefully elected 2,280 delegates represented 89 million Party members with more than 4.5 million grassroots organizations.

Only collective page-turning and occasional applause pleasantly interrupted General Secretary Xi Jinping's marathon speech of three and a half hours. By the time Xi finished his speech, over one billion people had



Xi leads China into the new era. [Xinhua]

COMMENT

viewed the 19th Party Congress on Sina Weibo (Chinese version of Twitter), reflecting interest and enthusiasm beyond the promenade of the Tian'anmen Square.

Xi gave a marathon speech sharing wealth of information about China's past achievements as well as outlining his vision for an increasingly prosperous China as socialism with Chinese characteristics has "crossed the threshold into a new era." It mentioned that China has created 13 million urban jobs per year in the last five years and has brought its poverty rate below four percent. Xi's assurance of a continued growth of 6.5 percent in the backdrop of continued global slowdown — which has seen China contributing 30 percent of the annual global growth — promises to make China a formidable locomotive in determining future trends. No doubt, Xi is today seen as one of the world's most influential leaders. Indeed, starting with

his Davos speech in January this year, his vigorous defense of free trade and calling protectionism as "locking oneself in a dark room" had seen Xi emerge as a new world leader taking up the mantle of defending globalization. Taking that promise forward in his speech to the 19th CPC National Congress, Xi promised to "protect the legitimate rights and interests of foreign investors," with local entrepreneurs expected to stay competitive by adopting information technology-driven innovation strategies.

Xi also outlined severe challenges that lie ahead for China. He urged all Party members to get ready to work hard for making China a "moderately prosperous society" by 2021 which he has premised on "uniting Chinese people of all ethnic groups" in order to lay stronger foundations for China emerging as a "a great modern socialist country that is prosperous, strong, democratic, culturally

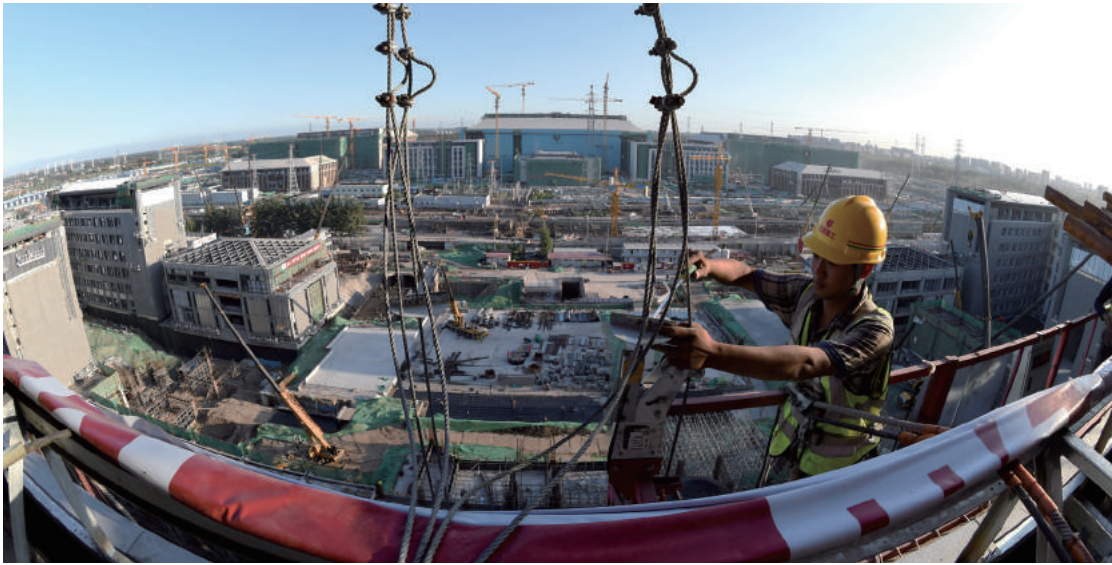
advanced, harmonious, and beautiful" by 2049. Xi also underlined that he remains determined about the Chinese Dream of rejuvenation of the Chinese nation. In spite of punishing many officials violating Party discipline, including not just "flies" but also "tigers," he also underlined that the issue of corruption still remains CPC's formidable challenge and his unfinished agenda.

Xi has also vowed to make the Chinese People's Liberation Army a world-class military by the mid-21st century. The Chinese military has already undergone massive reforms since Xi came to power. The recent past has also witnessed impressive modernization of China's armed forces. Xi sees China today as closer than at any other time in history to realizing the great rejuvenation of the Chinese nation, implying China would attain its rightful place at the center of the civilized world.

As a rising global player, the last five years of China's

January 5, 2016: Marines patrol Yongshu Jiao of the Nansha Islands. [Xinhua]





September 11, 2017: Beijing's subsidiary administration center under construction. [Xinhua]

diplomacy have seen it steer clear of the much hyped “Thucydides Trap” where China’s unprecedented rise was expected to push it into competition with existing major powers, especially the United States. Indeed, speaking at the Washington-based Centre for Strategic and International Studies on the day of Xi’s speech to the 19th CPC National Congress, U.S. Secretary of State Rex Tillerson underlined that “it was time for China to take center stage in the world and to make a greater contribution to humankind” as he reiterated U.S. President Trump’s resolve to deepen cooperation with China on addressing the Korean Peninsula nuclear issue.

Other than building a framework for major country relations featuring overall stability and balanced development in this “new era,” Xi’s speech also sought to

reassure neighboring nations, saying China will “deepen relations with its neighbors in accordance with the principles of amity, sincerity, mutual benefit and inclusiveness and the policy of forging friendship and partnership.” Xi’s speech underlined the significance of the Five Principles of Peaceful Coexistence, something that should be music to India’s ears. Xi went further to assure “settling disputes through dialogue and resolving differences through discussion, coordinate responses to traditional and non-traditional threats and oppose terrorism in all its forms.”

But most of all, Xi’s speech privileging China’s soft power, especially culture, should assuage skeptics about the future vision of Xi whom the global media is painting today as the world’s most influential leader in command of one of the largest and fastest growing economies.

This should also generate greater support to Xi’s ambitious Belt and Road Initiative which has increased China’s focus on engaging its immediate and extended neighborhood that defines its strategic location in world affairs. But these are also issues that make neighbors like India concerned about China’s increasing engagements in Sri Lanka, Bangladesh, Nepal, and Pakistan, though both President Xi and Prime Minister Modi have so far managed to ensure that the differences are not allowed to become disputes as they lead their countries on their chosen paths of rapid development. 

The author is a professor at the School of International Studies, Jawaharlal Nehru University, New Delhi.

China-India Relations after the 19th CPC National Congress

By Lin Minwang

The priority for the two countries is to nurture mutual trust, which will lay a good foundation for resolving disputes.

On October 18, 2017, the 19th National Congress of the Communist Party of China (CPC) opened in Beijing, drawing intense attention from Indian media and think tanks. As Indian news website Livemint noted, India had good reasons to pay close attention to China's political developments because its relations with its largest neighboring country are not very sound. Since the 18th CPC National Congress in 2012, even though China and India experienced a honeymoon period, the two countries have faced disputes and disagreements on many issues. Consequently, India needs to keep an eye on China's domestic affairs and evaluate its foreign policy's influence on India.

EYE ON THE 19TH CPC NATIONAL CONGRESS

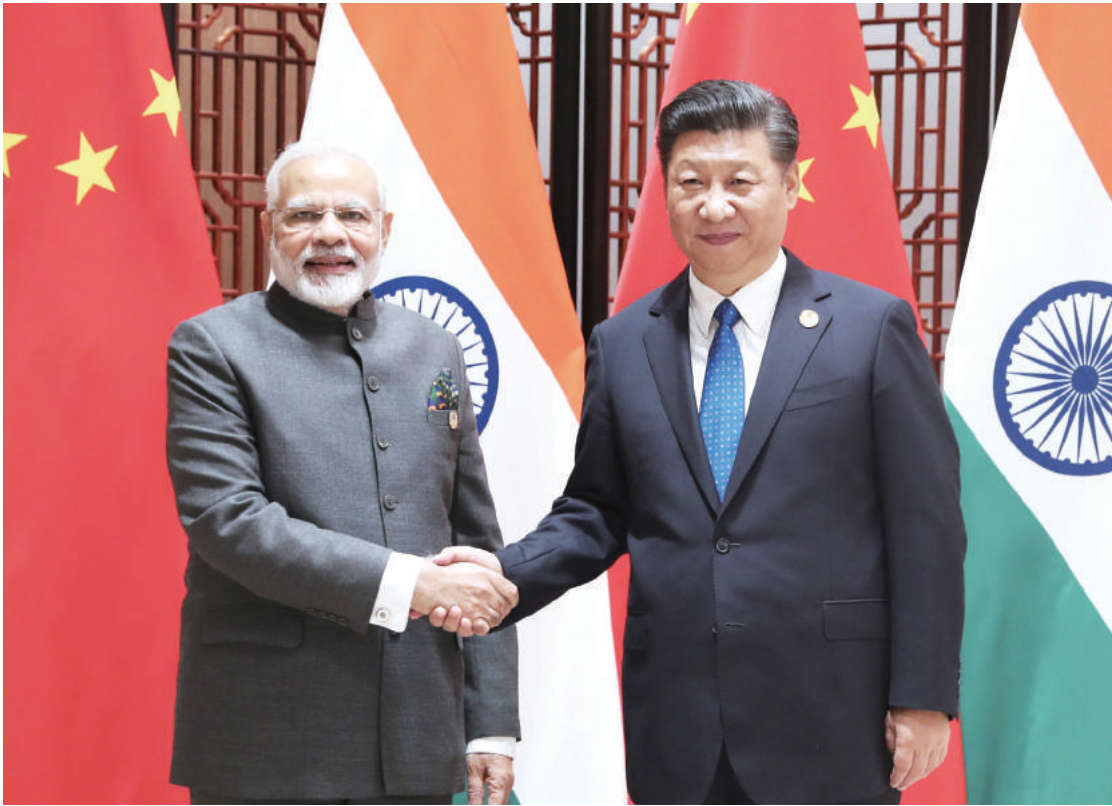
When Indian media and think tanks interpreted the congress, they expressed more concern than optimism.

Indian media focused primarily on two aspects: the change in leadership and the message sent from China's diplomatic departments. India paid special attention to the shift in China's high-level diplomatic personnel and which particular people would be the representatives involved in the China-India border talk mechanism. Also, India mined for new information on China's diplomatic programs like "a common community with a shared future" and "the Belt and Road Initiative."

Indian strategists have

maintained a prudent outlook for future China-India relations. Srikanth Kondapalli, an Indian expert on China, believes that after the 19th CPC National Congress, China will maintain its globalization strategies, but also that India should continuously be on alert considering that President Xi has consistently stressed since the 18th CPC National Congress that no country should assume that we will trade away our core interests, nor will we accept anything that harms our sovereignty, security or development interests."

Arvind Gupta, director of Vivekananda International Foundation, believes that because China has maintained such a consistent foreign policy, China-India relations will



September 5, 2017: President Xi Jinping meets Indian Prime Minister Narendra Modi at the Dialogue of Emerging Market and Developing Countries during the 9th BRICS Summit in Xiamen. by Ma Zhancheng/Xinhua

continue as before.

Such perspectives from Indian media and scholars are as expected. In 2017, China-India relations dropped to their lowest point since the Cold War. The two countries' border troops had a 72-day standoff in China's Dong Lang area, casting a heavy shadow on the future development of China-India relations. As Chinese Foreign Minister Wang Yi said, the standoff incident ended peacefully through diplomacy, evidencing the growing maturity of bilateral relations. But the two countries need to learn lessons from the incident and avoid reoccurrences.

The silver lining of the standoff may be that the two countries now better grasp the importance of their relations. Both countries' leaders and diplomats are working to disperse the negative influence of the standoff incident. On September 5 at the Xiamen BRICS summit, President Xi Jinping and Indian Prime Minister Narendra Modi had a bilateral meeting during which Xi pointed out that they should always remember the basic principle that each country offers development opportunities rather than posing a threat to the other. China hopes India will maintain a proper and

reasonable attitude towards China's development.

The two countries should demonstrate to the world that peaceful coexistence and cooperation for mutual benefit is the only correct choice for China and India.

On December 11, 2017 when Chinese Foreign Minister Wang Yi attended a China-Russia-India trilateral meeting, he declared that the two sides should put the important visions of the two countries' leaders into practice through concrete measures, reaching a more comprehensive consensus, expanding on positive aspects and accumulating greater positive energy

in bilateral relations. The Indian foreign minister Sushma Swaraj gave an in-depth response to Wang's remarks that concurred on many points.

China-India relations are starting a fresh on a road to healthy development. On December 22, 2017, the 20th round of talks between Chinese and Indian special representatives on boundary issues was held in New Delhi, at which Chinese State Councilor Yang Jiechi exchanged views with Indian National Security Adviser Ajit Doval on bilateral ties, border issues and international and regional issues of common concern. Both sides agreed that the common ground shared between the two countries should far outweigh their differences. They said both China and India should better manage and handle differences in accordance with the Five Principles of Peaceful Coexistence while respecting and accommodating each other's concerns. Yang and Doval agreed to strengthen strategic communication and boost strategic mutual trust to promote greater exchange and cooperation in various fields and achieve common development to drive Asian development and contribute to world prosperity. Both sides believe that settling border disputes as soon as possible meets the fundamental interests of both countries. The two parties should strengthen coordination and communication, properly handle relevant border issues and safeguard peace

and tranquility in the border areas. Each side also agreed to give full play to the important role of talks between special representatives on boundary issues, maintain contact and negotiations, and boost strategic dialogue and communication with an eye on creating favorable conditions for the future development of China-India relations.

Both the China-Russia-India trilateral meeting and the mechanism of Chinese and Indian special representatives on boundary issues evidence that the two sides look to the future and never forget the past, learning from the Dong Lang standoff. Just as Xi Jinping said when he met Modi, the two countries need to hold firm to the right strategic direction from a historical perspective, making cooperation the cornerstone of China-India relations. And joint efforts should solve any disagreements between the two countries.

MISUNDERSTANDING OF THE BELT AND ROAD INITIATIVE

Since China proposed the Belt and Road Initiative, India has maintained doubt about it and strongly opposed the construction of the China-Pakistan Economic Corridor (CPEC), which was explicitly expressed by an Indian spokesperson on May 13, 2017, when he was asked about the Belt and Road International Cooperation Forum to be held in Beijing. It was the first time the Indian government formally showed objection to the initiative.

The representative claimed that India opposed the China-Pakistan Economic Corridor, a flagship project of the Belt and Road Initiative, because no country should endorse a project that neglects its core concern of sovereignty.

Before that point, China had always encouraged India to join the initiative as a gesture of goodwill. China had openly demonstrated CPEC as an economic project, explicitly declaring that it had no intentions of meddling in the India-Pakistan dispute over the sovereignty of Kashmir. There is no change in China's neutral stance on the issue. By all means, CPEC can be extended to connect the Bangladesh-China-India-Myanmar (BCIM) Economic Corridor to India's North-South Economic Corridor. Additionally, India's Spice Route and the Mausam Initiative can align with the Belt and Road Initiative. But India would still not be convinced.

Furthermore, India boycotted the Belt and Road Initiative in multilateral mechanisms by attempting to offset its influence. For instance, Japan and India began to jointly build the Asia-Africa Growth Corridor. India accelerated its connectivity with neighboring countries by constructing Iran's Chabahar Port and India-Myanmar-Thailand highway. While rejecting CPEC, however, India also showed some flexibility: The joint study group meeting of the BCIM Economic Corridor resumed in Calcutta after a two-and-half-year drought from April



25 to 26, 2017.

A December China-Russia-India trilateral meeting reached a consensus to promote the connectivity of Eurasia. At a press conference, foreign ministers of the three countries agreed to strive for policy coordination, facility connectivity, unimpeded trade, financial integration and people-to-people exchange. Their individual connectivity initiatives should complement rather than collide with each other, helping to create and promote regional integration. Such ideas can help ease India's wariness of the Belt and Road Initiative.

China welcomes India's connectivity with neighboring countries, encouraging it to play a larger role in regional development. "China is the biggest neighbor of South Asia, and India is the largest country in South Asia," said President Xi Jinping during

a September 2014 visit to India. "China is ready to work together with India to make greater contributions to the development of the region so that the three billion people living on both sides of the Himalayas will enjoy peace, friendship, stability and prosperity." Furthermore, China expected India's connectivity project to become healthy competition. Rather than making the region a wrestling ring, major countries should complement each other and work towards joint progress.

INDO-PACIFIC STRATEGY

In June 2017, Modi and Donald Trump met for the first time, realizing the smooth transition of the U.S.-India strategic partnership. On December 18, the White House issued its first National Security Strategy report of the Trump administration which illustrated the U.S.

"Indo-Pacific Strategy" and placed India at the core of the strategy.

Actually, India and the U.S. have been continuously strengthening their strategic and defense cooperation. In addition to enhancing India's independent defense capabilities, the U.S. enjoys intelligence sharing with India and has gradually dispersed legal roadblocks to exporting arms which are only available to its allies, such as P-8I maritime reconnaissance aircraft, drones and aircraft carriers.

At the same time, the two countries have adjusted their policies to accommodate the Indo-Pacific Strategy. India's Act East Policy deeply aligns with the Indo-Pacific strategies of the U.S. and Japan, seeking an alliance between India, Japan and Australia as the pivot. The four countries are striving for a four-way leaders' dialogue mechanism and

STRATEGY

a dialogue mechanism on maritime security as well. Organs within the four countries also set up in-depth dialogue mechanisms such as 2+2 Foreign Secretaries and Defense Secretaries Dialogues between India and Australia as well as between the U.S. and India.

China does not oppose India setting up normal relations with any major country, but India's Act East Policy concerns China's interests of security. Certainly, China needs to evaluate the development of U.S.-India relations as they consider China the "simulated enemy." After Modi met Trump, they issued a joint statement in which they reiterated the importance of respecting freedom of navigation, safe air space and commerce throughout the region, calling on all nations to resolve territorial and maritime disputes peacefully and in accordance with international

law. The statement expressed support for bolstering regional economic connectivity through the transparent development of infrastructure and the use of responsible debt financing practices, while ensuring respect for sovereignty and territorial integrity, rule of law, and the environment. It called on other nations in the region to adhere to these principles. Some of the contents clearly target China.

Certainly, China needs to see that India hopes to maintain a subtle balance with the U.S.' Indo-Pacific Strategy. India expects the U.S. to play a more important role in maintaining the regional "balance of power" because at present only the U.S. can exert effective containment of China. Also, India closely monitors any cooperation or conflict between China and the U.S. India showed concern over the so-called G2 – China and the U.S. – popular during

the Obama Administration, which resulted in India's strategic stance against the U.S. to some extent.

China can catch a glimpse of India's future policy on the Indo-Pacific Strategy through its attitude towards the U.S.' Rebalance Toward the Asia-Pacific Region strategy. In 2012 when former U.S. Defense Secretary Leon Panetta visited the Institute for Defense Studies and Analyses (IDSA), he said that the new U.S. strategy sought to "expand military partnerships and presence in the arc extending from the Western Pacific and East Asia into the Indian Ocean region and South Asia. Defense cooperation with India is a lynchpin to this strategy." The remark aroused heated discussion in India about how to respond to the Rebalance toward Asia-Pacific Region strategy. At that time, the Manmohan Singh administration openly declared that India adhered to



In 2015, China's Ant Financial, an inclusive finance service provider, began strategic cooperation with Paytm, an Indian digital wallet company, driving Paytm's user base from 30 million to 220 million and making it the third largest platform mobile payment in the country. by Bi Xiaoyang/Xinhua



June 10, 2016: The U.S., Japan and India commence Malabar 2016. by Nobuhiro Kubo/VCG

an independent foreign policy and would not be used as a tool to contain China. Also, India intentionally avoided giving the impression of joining hands with the U.S. and Japan. In April 2013, India retreated from the U.S.-Japan multilateral maneuver to prevent regional countries from thinking it was forming an alliance with the U.S. and Japan.

India still lacks concrete policy to accommodate the U.S.' Indo-Pacific Strategy. But after talks among the senior officials from the U.S., Japan, Australia and India held in November 2017, India issued a statement that was starkly different from those of the other three countries. The statement did not mention "rule-based order", "freedom of navigation", "maritime security" or "international law", and did not promise to further the quadrilateral dialogue mechanism. The statement declared that India strives for a free and open, prosperous and

inclusive Indo-Pacific, which was far from the appeal for "cooperation based on shared values" pursued by the U.S., Japan and Australia. With so many uncertainties surrounding the U.S. strategy, India is unlikely to leap into the U.S.' arms any time soon.

After the Dong Lang standoff, in a nutshell, China-India relations need more "positive energy." As two ancient civilizations and emerging market economies, China and India share common histories and national conditions, which make them have identical or similar attitudes toward world affairs and trends. So the two countries should be natural partners if they can just find greater common ground. The Indian movie *Dangal* was tremendously popular in China, evidencing the many common features between the two countries' cultures.

The priority for both countries should be to nurture mutual trust, which

will lay a good foundation for resolving disputes. If the countries lack trust, problems will continually plague and erode bilateral relations. Also, China-India relations need "a new start" and to "remain true to original aspirations". As former Chinese leader Deng Xiaoping said, only when China and India become fully developed can the real "Asian Century" arrive. And as the first Indian Prime Minister Jawaharlal Nehru said, only when India and China work hand-in-hand can the two countries shoulder the historical responsibility and mission of the times to maintain Asia's peace, stability, prosperity and renewal. And Xi Jinping said, "If China and India speak with one voice, the world will listen." 

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Sharing Asian Prosperity

By Mukul Sanwal

Re-emerging India gains from sharing Asian prosperity and ideas, not from outdated ideas of 'balance of power'.



In 2050 Asia will have amassed, as it has throughout civilization, more than half of the global GDP. The continent will have plenty of room for both India and China, despite any differences on rules of new multilateralism.

The challenge for India, with the potential to overtake both the United States and Japan to become the second largest economy, is to secure longer term economic interests while taking advantage of global trends to

limit military expenditures while pushing infrastructure, human capital and technology development. India must now see itself as part of the emerging global economic triumvirate rather than a large military power.

In the 21st century, countries will gain influence because of economic power rather than military might, creating demand for fresh strategic thinking on the roles of emerging powers, including India, and how they should be accommodated in

rule-making in an era where military-based notions of 'balance of power' are no longer relevant to the globalized world.

China is filling part of the vacuum left by a retreating United States with the strategic thinking behind its Belt and Road Initiative (BRI), stressing investment in infrastructure to build a common market, including with India, for adequate returns as it is rapidly aging. Japan, with an even more rapidly aging population, is also seeking cooperation within this initiative. India's young population needs investment and technology to leapfrog development and recreate old networks with Southeast Asia and Africa, which complement the BRI. New opportunities are also emerging with recent signals from Beijing of its willingness to discuss India's concerns with the BRI.

How should India shape its response to China's efforts to establish multilateral institutions to compete with existing ones and set new rules? The underlying issue is that India and China have been questioning the legitimacy of the current order, in whose creation they played no part and have nurtured a sense of injustice in the rules that were developed. India joined China in 2009 to organize the BRICS group of emerging economies and found a development bank and contingency reserve fund. In 2015 China launched the Asia Infrastructure Investment Bank, in which India is the





Some economists believe that the Modi government's reform in economic structure and its radical scrapping of 500 and 1,000 rupee currency notes has severely impacted India's economic operation. Although the country's manufacturing industry performed fairly well in 2017, growth in household consumption was insufficient, and its economic growth is decelerating. [VCG]

second-largest shareholder. In multilateral finance, India is working with China to set the new rules.

India and China are cooperating closely in climate negotiations as Western powers attempt to renege on their commitments and in issues involving the World Trade Organization, with increasing success. The declining influence of the West in existing global institutions is exemplified by Britain withdrawing its candidate for the International Court of Justice due to greater support in the United Nations General Assembly for India's candidate.

That is why Japan's earlier initiative to include India in the United States-led military

alliance with Japan and Australia, as the United States shifts its emphasis from providing a security umbrella to urging its allies to increase the arms they bought from the United States, was rightly rejected by India due to perceptions of a concerted attempt to militarily contain China. Japan and China have also reached a broad accord on setting up a communication mechanism to prevent accidental clashes in disputed waters in the East China Sea and airspace above, and Japan is enthusiastic about participating in the China-led BRI. India and Japan have also established an 'Act East' forum for economic cooperation.

Of greater strategic significance to India will be

its response to the emerging integrated Asia, and the shift towards the 'Asian Century,' as the United States withdraws from multilateral trade agreements. Asian countries are increasingly looking inwards, and not to the West, for ideas, investment and economic cooperation. The India-catalyzed International Solar Alliance is one example.

As global GDP shifts to Asia, by as early as the 2030s, Asia will revert to its historical equilibrium of an integrated continent that existed before the arrival of Europeans and later, the United States. New security and trade arrangements such as the Shanghai Cooperation Organization and the Regional Comprehensive

Economic Partnership exclude the United States yet involve both China and India, reinforcing the Asian identity and the collective shift away from reliance on U.S.-led financial institutions and markets. China and Japan have also agreed to improve bilateral relations, which have long been strained by historical issues and the territorial dispute.

In a multipolar world, China cannot shape the new order on its own just as India should not expect countries in Asia to choose between itself and China. Indians should recognize China's BRI as a boon to economic growth and not a threat to their security. India will also need to carefully consider the issues it contests with China;

Masood Azar need not be one of them, and India's focus should be on strong resolutions against international terrorism on multilateral platforms. A sound strategy for India is not to reject initiatives promoted by China like the BRI and others that will inevitably follow, but to work with China to jointly set the agenda and rules, as the country is doing with financial institutions. One of India's key strengths throughout civilization has been in the realm of ideas that have shaped the global order.

PEACEFUL CO-EXISTENCE

President Xi has signaled readiness to work with India under the guidance of "the five principles for peaceful

coexistence," or 'Panchsheel,' from an agreement in 1954. It meets Prime Minister Modi's concerns that the two sides increase mutual trust and jointly maintain peace and tranquility in border areas as a precondition for deeper cooperation.

India's Ministry of External Affairs describes 'Panchsheel' as a set of principles to conduct international relations. The five principles are: mutual respect for each other's territorial integrity and sovereignty, mutual non-aggression, mutual non-interference in each other's internal affairs, equal and mutually beneficial working relationship and peaceful co-existence. These principles were first outlined in the Agreement on Trade and

December 16, 2017: Trucks parked at Jawaharlal Nehru Port in Mumbai, India's busiest port. [VCG]



STRATEGY

Intercourse Between the Tibet Region of China and India signed on April 29, 1954 and later incorporated into the Ten Principles of International Peace and Cooperation enunciated in the Declaration issued by the April 1955 Bandung Conference of 29 Afro-Asian countries.

Panchsheel, according to the Indian Ministry of Foreign Affairs, is based on its “firm roots in the cultural traditions of its originators, two of the world’s most ancient civilizations... an alternative to the adversarial constructs that dominated the cold war era.” The power of the principles remains dormant if the security establishments manning the border do not trust each other.

It would be a pity if mistrust of China, a scar left by colonialism, prevents

resolution that could be cemented with a formal Non-Aggression Pact. Supplementing existing cooperation in trade and climate change and construction of new institutions in Asia will pave the way for the giants to become developmental opportunities of each other, jointly setting the new rules for connectivity, trade and security.

GEO-ECONOMIC COOPERATION

While China and India recognize the mutual benefits of investment in infrastructure connectivity and access to their growing markets, the two countries’ differences center on the nature and scope of the new rules for integration in global value chains. This dynamic is playing out in negotiations on the Regional Comprehensive

Economic Partnership (RCEP), which involves 40 percent of world GDP. The RCEP is dominated by China and India and does not include agreements on labor rights, environmental protections or intellectual property rights, rejecting notions of open trade being pushed by the United States and the European Union.

MARITIME SECURITY

Indian Ocean trade routes and exchange networks have connected the East and West throughout civilization and remain an important conduit for half the world’s container traffic, one-third of bulk cargo transports and nearly two-thirds of global maritime oil trade, requiring shifting security priorities for governance of shared oceanic resources.

Workers in an India industrial park in Pune founded by Haier Group, a Chinese multinational consumer electronics and home appliances company. On November 16, 2017, Haier Group hosted a ceremony celebrating its expansion of the industrial park, which was the first of its kind built by a Chinese household appliance enterprise in India. by Zhang Xingjun/Xinhua





June 20, 2016: China's Tibet Autonomous Region welcomes the first group of Indian pilgrims of the year. Chinese border guards help them go through the entry formalities and provide medical services to those suffering from altitude sickness, helping to facilitate a safer, more convenient and comfortable journey for Indian pilgrims. [VCG]


Maritime issues are now becoming central to security policies of Asian countries, and the Japan-led quadrilateral arrangement should be carefully considered to the extent India shapes the discourse to suit its national interests. India rejected a defense arrangement with Japan that would have seemed adversarial to China and should reject a similar push by the United States.

The United States has long seen its security interests extending into the Western Pacific and is re-defining them in terms of the Indo-Pacific to attract India to balance China. India has its own cooperation framework already in place and the 'Indian Ocean Naval Symposium' (IONS), formed by India, includes 35

participating states and territories in the Indian Ocean Region, representing some two billion people. China and Japan are both observer states in IONS, providing a sound basis for India-led Asian maritime cooperation.

The biggest take-away from President Xi's speech at the 19th Party Congress is recognition that cooperation alone will ensure the 'Chinese dream'. It is India's prerogative to push for new multilateralism to base on the 'Panchsheel Principles', just as Buddhism spread in the region centuries ago. India can also take conceptual leadership in global governance by stressing equitable sustainable development as the foundation of the new global order. These ideas are more in

sync with 'Xi Jinping Thought' than the 'Washington Consensus' and will inspire a more positive response in Asia while cementing the Asian Century as having two nodes.

Both China and India are now rule-makers, not just subjects, and the Asian Century does not have to be defined by rivalry, as Asia rejects the role of outsiders in shaping the new order, and sharing prosperity and common destiny. As Chinese Foreign Minister Wang Yi, speaking in Delhi in December, said, "If China and India speak with one voice, the world will listen." 

The author is a Mumbai-based foreign policy analyst, and writes on trade, maritime security and energy.

Promoting China-India Relations Through People-to-People Exchanges

By Liu Zongyi

For China and India, two major countries that are also neighbors, it is particularly important to consolidate the civil and social basis of bilateral relations through people-to-people exchanges.

November 28, 2017: The School of Chinese Language opens in Kolkata, India. [VCG]



As the two largest developing countries in the world, China and India share the common goal of boosting their economies and improving their people's lives.

Shouldering the common responsibilities of maintaining regional peace and stability while facilitating the rise of Asia, the two countries also share extensive common interests in promoting a multi-polar world and better democratization of international relations.

With rapid economic growth and remarkable rise in international status, the two countries have greatly improved the bilateral relations which shed light of significance in the global community.

In a world perspective, the more global the role that China-India relations play, the more is mutual trust and coordination between the two required, and more misunderstandings that need to be cleared up.

It has become a great challenge for both countries to reverse any hint of deterioration of bilateral relations.

BIG POTENTIAL FOR PEOPLE-TO-PEOPLE EXCHANGES

At the 19th National Congress of the Communist Party of China (CPC) held in Beijing in October 2017, the CPC established Xi Jinping's thought on major-country diplomacy with Chinese characteristics, playing an important guiding role in the development of China-India

relations.

Xi stressed in his report to the 19th CPC National Congress: "China has actively developed global partnerships and expanded the convergence of interests with other countries. China will promote coordination and cooperation with other major countries and work to build a framework for major country relations featuring overall stability and balanced development. China will deepen relations with its neighbors in accordance with the principle of amity, sincerity, mutual benefit, and inclusiveness and the policy of forging friendship and partnership with its neighbors. China will, guided by the principle of upholding justice while pursuing shared interests and the principle of sincerity, real results, affinity, and good faith, work to strengthen solidarity and cooperation with other developing countries."

Xi also noted that the CPC will strengthen exchange and cooperation with political parties and organizations of other countries and encourage people's congresses, CPPCC committees, the military, local governments, and people's organizations to engage in exchange with other countries, showing

the great importance of people-to-people exchanges in promoting relations between countries.

For China and India, two major countries that are also neighbors, it is particularly important to consolidate civil and social basis of bilateral relations through people-to-people exchanges.

Tracing the development path of China-India relations, especially since the turn of the twenty-first century, we see Indian local governments' attitudes contrast those of the federal government on developing relations with China. Local leaders attach great importance to improving economic ties and cultural exchanges with China as well as attracting investments from China. For example, many chief ministers of Indian states have conducted investment roadshows in China.

However, the people-to-people exchanges between the two countries remain relatively meager in both scale and range. Due to the lack of substantial exchange, mutual understanding and trust between the two peoples, the space and form of exchange also need to be expanded.

So, developing friendly relations with India by promoting people-to-people exchanges is a tremendously

China and India would both benefit from the improvement of bilateral relations in a positive direction, so people-to-people exchanges between the two countries are crucially important.



December 3, 2017, Fuzhou: Chinese and Indian dancers perform their countries' respective dance art in Shiv-Yin, a contemporary dance collaboration. [VCG]

significant factor in the establishment of strategic mutual trust between the two countries and the improvement of bilateral political relations.

Over the last decade, people-to-people exchanges between the two countries have developed rapidly and made some landmark achievements.

For example, after President Xi Jinping's visit to India in September 2014, China opened a new route along the Himalayan Nathu La Pass for pilgrims traveling from India to Tibet. However, considering the massive populations of both countries, the current direct contact is

still relatively less.

Furthermore, national-level political relations between China and India are likely to remain somewhat chilly for quite some time, so a vigorous expansion of people-to-people exchanges is even more necessary.

METHODS TO EXPAND

First, the focus of people-to-people exchanges should shift from the central level to the local level. China should recognize the various attitudes of Indian local governments and non-government organizations and strengthen exchanges with them, especially those that have already established

friendly relations with China.

Additionally, there needs to be innovation in methods and forms of promoting people-to-people exchanges. In recent years, potential conduits have evolved greatly in both form and content.

Many friendly Indian organizations have encountered problems at various levels, including aging personnel, lack of funds and organizational shrinkage, which make it harder to carry out substantive exchanges.

In fact, facing the further and acute development of globalization, some non-governmental organizations, professional institutions and



March 24, 2016, Kunming City: Yoga practice on the campus of China-India Yoga College (ICYC) at Yunnan Minzu University. [VCG]

cultural foundations have become increasingly active, creating a new force promoting people-to-people exchanges.

However, due to the lack of docking organizations in China, organizations in each country have not been able to communicate well. This presents a great opportunity to innovate working methods

for institutions engaged in non-governmental exchanges, such as the Chinese People's Association for Friendship with Foreign Countries (CPAFFC).

At the same time, developing people-to-people exchange activities based on large-scale bilateral and multilateral platforms is another emerging trend. For

example, people-to-people exchanges have become a major pillar of BRICS cooperation development. To follow the developmental trend, institutions engaged in non-governmental exchanges should optimally utilize available platforms by planning ahead and responding actively.

Active efforts should be made to expand media exchanges between the two countries. Chinese non-governmental institutions for exchanges should play a bigger role in promoting media exchanges between the two countries by greatly promoting communication and cooperation between journalists and news agencies.

For example, some large bilateral and multilateral cultural activities could be organized to attract the attention of the media. Promoting exchanges between film and television industries could deliver real and positive information and increase mutual understanding.

A few months ago, the Indian film *Dangal* became a big hit in China. China-India co-productions are not rare, but it's notable that audiences in both China and India are both suckers for love stories of any kind, especially the one between the legendary Indian physician Dr. Dwarkanath Shantaram Kotnis and his Chinese wife Guo Qinglan. ⁶⁵

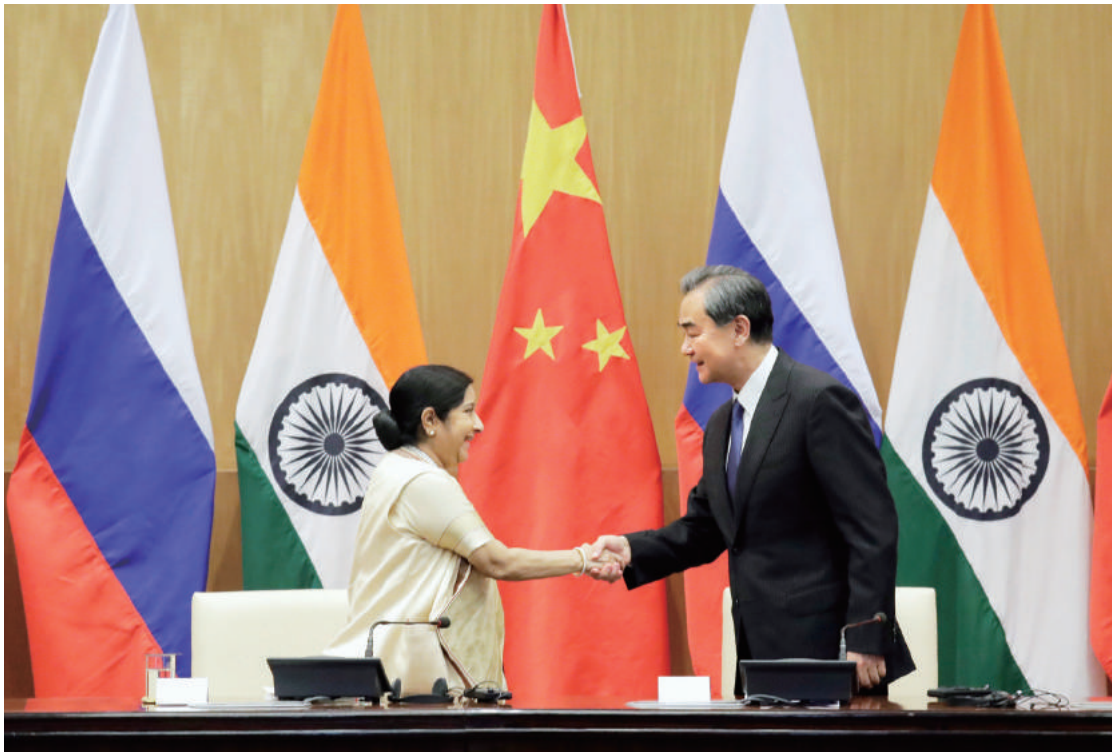
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India and China Towards a Comprehensive Partnership

By Mahendra P. Lama

In his report to the 19th National Congress of the CPC, Xi made many far-reaching pronouncements that have profound influence on India-China relations.

December 11, 2017: Chinese Foreign Minister Wang Yi shakes hands with his Indian counterpart Sushma Swaraj after a press statement at the end of the meeting of the foreign ministers of China, India and Russia in New Delhi, India. [IC]



Among the many far-reaching pronouncements made by Xi Jinping, general secretary of the Central Committee of the Communist Party of China (CPC), in his report to the 19th CPC National Congress, the following may exert profound influence on India-China relations:

“China will not close its door to the world; we will only become more and more open....We will implement the system of pre-establishment national treatment plus a negative list across the board, significantly ease market access... and protect the legitimate rights and interests of foreign investors.”

“More than 60 million people have been lifted out of poverty” over the past five years.

Now “the needs to be met for the people to live a better life are increasingly broad. Not only have their material and cultural needs grown, their demands for democracy, rule of law, fairness and justice, security, and a better environment are increasing.”

“China will deepen relations with its neighbors in accordance with the principles of amity, sincerity, mutual benefit and inclusiveness and the policy of forging friendship and partnership with its neighbors.”

“We should commit to settling disputes through dialogue and resolving differences through discussion, coordinate responses to traditional and non-traditional threats, and oppose terrorism in all its



June 16, 2017: Sujoy Bose, chief executive officer of India's National Investment and Infrastructure Fund Ltd. (NIIF), speaks during a seminar at the AIIB annual meeting in Jeju, South Korea. [VCG]

forms.”

India-China relations have reached a crossroads today. Despite a series of hiccups on issues related to border disputes over the last six decades, the relationship is now robust and promising in many areas. For instance, trade volume has increased from only about US\$260 million in 1990 and US\$2.91 billion in 2000 to over US\$70 billion in 2016. Chinese investment in India has increased from absolutely nothing to US\$5 billion. Chinese goods have spread remarkably across India. Chinese electronics brands like OPPO and Huawei have become household names in India. Conversely, throughout China, Indian students can be found at medical universities, Indian IT ventures are prominent, Bollywood films

are popular, and yoga is widespread. All these conduits have opened up a massive bandwidth for the relationship between the two oldest civilizations to grow much and deeper.

So when Xi proposes a more open China, India could reciprocate by enlarging the present matrices of economic relations to a comprehensive economic partnership both at the bilateral and global level. This partnership could also include hitherto untouched areas like exporting Indian dairy technology and village community-based cooperatives of White Revolution fame (India is one of the largest milk-producing countries in the world) and importing farming techniques and technologies on horticultural production, traditional medicinal practices

and innovations in solar and wind energy from China.

With the two largest populations and flows of migrant populations in the world, China and India could build a collective front on global negotiations to access developed market economies through *Temporary Movement of Natural Persons* under Mode IV of the *General Agreement on Trade in Services* (GATS) of the World Trade Organization. The scope and complexity of migration is changing fast as globalization affects migration and vice versa.

Xi made an astounding revelation that more than 60 million people have been lifted out of poverty over the past five years. From its very first Five-year Plan (1951-1956) to today, India has been continuously working to fight poverty and inequality. It has

designed and implemented a range of programs including the latest Employment Guarantee Scheme. But India's speed of lifting people above the poverty line in a consistent manner must increase to cope with the second-generation reforms as well as provide what Xi Jinping called "*mei hao sheng huo*" (a better life). There is a need to understand and assimilate the Chinese approach to tackling both poverty and inequality. The core issue in poverty management has been the delivery mechanisms and institutions that have made the Chinese approach more accessible and accountable.

Although India has adopted a wait-and-watch approach towards China's Belt and Road Initiative, the country joined the US\$100 billion China-founded multilateral

lender, Asian Infrastructure Investment Bank (AIIB), as the second -largest shareholder with 7.5 percent of voting shares. India's serious commitment to the institution is reflected in its deep infrastructure deficit, commitment of US\$8 billion to the AIIB, inclusion in the bank's Board of Directors and the appointment of an Indian as a vice president. A test for cross-border and regional-level work could be the implementation of the Bangladesh-China-India-Myanmar (BCIM) Economic Corridor, to which both Indian Prime Minister Narendra Modi and Chinese President Xi Jinping have already committed.

The geographic point where the borders of Nepal, India and China meet has gradually emerged as a crucial geographical area for energy

November 24, 2017: We Belong Forum 2017, with Sustainable Innovation & Lifestyle as the theme, is held in Beijing. Indian social activist Bunker Roy shared many of his ideas on building a whole new green world. [VCG]





December 6, 2017: Yinan County in Shandong Province is among 20 key poverty-stricken counties. This eastern coastal county has attracted labor-condensed enterprises to build factories here, which have enabled the poor to find jobs in their hometown. At present, these factories have employed 1,010 people from poor families. An increase in their annual per capita income of 6,000 yuan has been achieved. [VCG]

cooperation and cross-border energy exchange. Alongside the politico-historical participation of India and China in the development of Nepal's hydroelectric resources, several factors would likely trigger vibrant energy exchanges among these countries. Both China and India are now moving towards renewable energy because of the global and domestic pressure for reduction of fossil fuel usage and emissions as well as because of cheaper options in terms of both production and importing. India and China can lead in forming a Nepal-India-China tri-junction consortium to help attract

regional and sub-regional investment partners for cross-border cooperation in power generation and trade.

India and China share a significant portion of the Himalayan region, which features one of the richest biodiversity zones and maintains vast wealth of clean and renewable energy, perennial rivers and high rainfall. The Himalayas shape the climate, hydrology and soil fertility and preserve the ecological and environmental sanctity of the mountains, which is now of paramount importance. This region's vulnerability to climate change is a real and serious concern in recent years. India

and China must institutionalize a scientific mechanism to assess various elements of trans-border environmental issues and other problems arising from the impacts of climate change. All of these ideas fall very much within realms of President Xi's oft-repeated concerns and India's current formidable approaches to protect the mountain ecology and geomorphology. ⁶⁰

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Chinese and Indian Internet Firms Teaming Up Recipe for Success

By Weng Shechao

Typically, Chinese internet companies only invest in Indian startups instead of seeking a controlling share, which promotes better win-win cooperation.

In August 2017, I arrived in India to study at a local business college. Every time I talked about my dream of establishing a tech startup, my Indian classmates motivated me by teasing, “You’re sure to become the next Jack Ma or Lei Jun.”

Their jokes testify to the global fame of Jack Ma, founder of Chinese e-commerce giant Alibaba, and Lei Jun, chairman of Chinese mobile phone maker Xiaomi, especially with young Indians. Many youngsters in India liken Jack Ma to Western tech tycoons such as Steve Jobs and Jeff Bezos.

A TIDE OF INVESTMENT IN INDIA

Statistics from Indian internet data service company Tracxn show that Chinese enterprises invested more than US\$2 billion in



India from January 2016 to November 2017, surpassing the total volume of the previous 10 years. The largest proportion came from internet companies, with investments focusing on fields like cell phones, e-commerce, mobile payments and ride sharing.

In the third quarter of 2017, Chinese smartphone giant Xiaomi beat Apple and Samsung to become India's top cell phone brand for the first time. Alongside the high cost performance ratio of its products, Xiaomi's success can be attributed to its developed supply chain and localized marketing strategy.

Other Chinese cell phone brands including Vivo, Oppo, Huawei and Lenovo are also popular among Indian consumers. In the fourth quarter of 2016, of the top five best-selling mobile phone brands in India, four were Chinese.

Chinese enterprises are heavily involved in the Indian e-commerce market. Of the four biggest e-commerce giants in the South Asian country, three are backed by Chinese investors. India's largest e-commerce company Flipkart, dubbed the Indian version of JD.com (a Chinese online shopping giant), received a major investment

from Chinese tech giant Tencent. Paytm Mall, which now ranks third in India's e-commerce market, is working to become India's Tmall, an online shopping site under Alibaba. Alibaba is a shareholder of Snapdeal, the fourth largest e-commerce platform in India. Those Indian e-commerce companies not only receive funds from China, but also benefit from Chinese experience and technological support in the development of e-commerce.

Paytm, a mobile payment platform jointly invested by Alibaba and Ant Financial, has been widely considered the Indian version of Alipay and now dominates India's mobile payment market. When it was first launched, Paytm aligned perfectly with the Indian government's goal of building a cashless society, so the mobile payment platform quickly swept the country. Thanks to the popularity of mobile payment apps such as Paytm, India has overtaken the overwhelming majority of developing countries and even many developed European countries in terms of mobile payment penetration. Statistics show that in 2017, the overall rate of mobile payments exceeded eight percent in India.

Moreover, Chinese cab-



Chinese cell phone maker Vivo has signed a long-term sponsorship agreement with the Indian Premier League, the most popular sport event in India. [IC]

CASE STUDY

hailing platform Didi Chuxing invested in India's Ola, and Chinese leading travel service provider Ctrip invested in India's online travel company Makemytrip Inc. Chinese tech giants dipped their toes into India's online education, internet finance, new media and other areas, and many Indian companies that received investment have grown into leaders of their respective industries.

CHINESE INVESTMENTS GENERATE WIN-WIN RESULTS

As the biggest overseas investor in India's internet industry, China has not only exerted a positive economic influence, but also indirectly promoted improvements in India's legal system. In 2017, the rapid development of Alibaba-backed Paytm facilitated the Modi administration's crackdown on money laundering to pave the way for a cashless society. To attract more foreign investors, the Indian government enacted a policy to allow foreign companies to hold 100 percent stake in Indian tech startups, which further loosened market access for tech investment. This has also expanded space for Chinese internet companies to invest in India.

Unlike American tech giants from Silicon Valley that explore the Indian market by setting up subsidiaries or branch offices, Chinese internet companies typically only invest in Indian startups instead of seeking control, which promotes more win-win cooperation.

The investment model of Chinese enterprises sharply contrasts their American counterparts. Today, India's indigenous internet companies backed by Chinese investors compete with transnational giants that are operating in India, making the country's internet market unique compared to any other in the world.

In India's cab-hailing sector, Uber is waging a fierce battle against Ola, which is co-funded by Didi Chuxing and Tencent. In e-commerce, Amazon is facing stiff competition from Alibaba-backed Paytm Mall and Snapdeal and Tencent-backed Flipkart during this year's November 11th online shopping festival. Just a few

Today, many Indian internet companies backed by Chinese investors compete with transnational giants operating in India, making the country's internet market unique compared to any other in the world.

Indian fans of Xiaomi smartphones queue up for a new product release conference held by the Chinese mobile phone giant in New Delhi despite the scorching noon sun. In April 2015, Xiaomi launched its first overseas product release conference in the capital of India. [VCG]



years ago, Prime Minister Modi lamented that India lacked tech giants like Google and Microsoft. Now, however, myriad influential Indian internet companies are emerging with the help of Chinese partners.

At the same time, by investing in Indian companies, Chinese internet firms have accumulated precious experience exploring emerging markets.

Like so many other enterprises, Chinese internet giants are walking a path from developing to developed countries as they explore the international market. Many of them chose India or Southeast Asia as a whole for their first step to go global, from which they learned early internationalization lessons. They gained valuable experience by operating in India so many years. They know what to look for on resumes of Indian graduates and when to provide afternoon tea breaks. The majority of Chinese internet companies have performed well in cross-cultural realms.

CHANGING INDIAN LIFESTYLES

Chinese internet giants investing in India have not only achieved win-win results economically, but also considerably improved the lives of Indian people at large.

A typical middle-class Indian weekday likely involves: Get up in the morning and hail a taxi with Ola (backed by Tencent) to get to work, read news en route via Newshunt, a news-aggregation app backed by China's Toutiao, buy some

groceries on Tencent-backed Flipkart or merchandise from China via AliExpress (a global e-commerce platform under Alibaba) during lunchbreak. Some may make a coffee run at a nearby café and pay with Alibaba-backed Paytm for the afternoon tea break, and others may end the day buying a cinema ticket on Ticketnew (Alibaba-backed) to enjoy a Bollywood movie. Those vacation plans for the next month are handled through Goa or Andaman Islands on Ctrip-backed Makemytrip, or a hotel room is booked through OYO House, in which China Lodging Group invests.

For most Indian urbanites, their everyday lives are closely connected to Chinese internet investors. Compared to international giants from Silicon Valley, Indian companies backed by Chinese investors are more in tune with the needs of Indian consumers. Consider Ola: Unlike Uber, consumers can hail an auto rickshaw, a vehicle popular among ordinary Indian people, or a motorcycle via Ola.

In 2015, India outpaced China and the United States in terms of the inflow of foreign direct investment (FDI) and ranked first in the world. In 2016, it attracted FDI of US\$62.3 billion and remained top globally. This was largely attributed to investments from Chinese tech giants such as Alibaba, Tencent and Xiaomi. India jumped a massive 30 places to 100th in the World Bank's ease of doing business rankings released in October

2017. It increasingly improved the business environment and provided greater opportunities for Chinese investors.

Additionally, the enormous inflow of Chinese internet investors stirred up a spike of interest in learning the Chinese language in India. During conversations with Chinese investors, I heard that Indian graduates who majored in Chinese are in great demand. When attending a Chinese singing competition organized by the Confucius Institute in Mumbai, I was deeply impressed by Indian students' enthusiasm for Chinese language and culture.

Chinese internet giants have adopted down-to-earth marketing strategies in India, which has heated up cultural exchange between the two countries. Vivo has signed a long-term sponsorship agreement with the Indian Premier League, the most popular sport event in India. Oppo's colorful promotional banners line the streets in many Indian cities. Indian consumers queue up for newly released smartphones outside the Xiaomi store in Bangalore. As such Chinese brands gradually become part of everyday Indian life, relations between the two ancient Eastern civilizations are getting closer and closer. 

The author formerly worked with a Shanghai-based investment bank and is now an MBA student at Indian Institute of Management in Ahmedabad. His research focuses on Indian startups and the capital market.

Attempting to Achieve a Symbiotic Pharmaceutical Relationship

By Sugandha Mahajan

China's expertise and massive market for medicine coupled with India's cost-effective quality formulations could be a match made in heaven.

July 6, 2016: BRICS Health Ministers Meeting and High Level Meeting on Traditional Medicine is held in Tianjin. [Xinhua]



India takes great pride in its reputation as “pharmacy to the world.” Today, India exports drugs to almost every major market in the world except China. India has established itself as a key source of cheap generic drugs and contributes almost 20 percent of the world’s non-branded formulations, maintaining a big lead over China. Exports account for nearly 65 percent of India’s total pharmaceutical revenues, and India’s total pharmaceutical market (domestic and exports) is estimated to be over US\$20 billion.

However, India is far from self-sufficient and imports nearly 92 percent of all raw materials (also known as active pharmaceutical ingredients, i.e. APIs or intermediaries, which Indian manufacturers process, mix, and make into formulations that are sold as finished medication), of which China supplies as much as 75 percent. Manufacturing companies have tried and failed to match the price of Chinese raw materials, and several API units in India have gone out of business in the past few years.

One could argue that China is as dependent on India to unload these raw materials, but the reality is that it is easier to find other markets than to create a manufacturing base.

DREAMS OF SELF-SUFFICIENCY

In an extremely ambitious move under its Pharma Vision 2020, India aimed to become

a global leader in end-to-end production of pharmaceuticals. The year 2015 was designated the ‘Year of Active Pharmaceutical Ingredients’ by the government under its ‘Make in India’ program. While this was supported by policy such as exemption of customs duties on certain bulk drugs, these are still baby steps towards achieving that aim.

In 1991, China contributed 0.4 percent of India’s bulk drug imports, and in 2016,

With China’s API expertise and huge market for finished medicines, and India’s cost-effective but quality formulations, each country offers something the other needs.

this figure had grown to 65.29 percent. This evidences surging growth in the Chinese API manufacturing as well as India’s failure to keep up. India has, however, made up in terms of finished formulations, and India’s total pharma exports in 2015 were valued at US\$12.54 billion, compared to China’s US\$6.94 billion.

High dependence on imported intermediates has remained on the government’s radar for a while, and in 2013, a committee was formed under then Health Secretary VM Katoch to recommend ways to reduce India’s dependence on imported APIs. The Katoch Committee submitted a report in 2015, but its

recommendations are still under consideration.

BONDING OVER DRUGS

On the positive side, imports from China almost single-handedly sustain the Indian pharma industry. If not for the cheap raw material, it would have been unlikely for India to become a leader in generics. Chinese players have also pressured Indian API manufacturers to keep their prices competitive. India’s trade relationship with

countries like the United States depends heavily on the pharmaceutical sector. In 2016, for instance, India exported US\$74 billion worth of pharmaceutical products to the United States, which constituted over 16 percent of India’s total exports of goods to the U.S. Since India is not yet equipped to manufacture raw material at this volume, Chinese APIs have been supporting the sales. India’s cost of production of drugs is almost half that of Europe, and this is only possible because China’s cost of API is almost a fourth of the cost in India.

Better access to medicine is high on India’s agenda, and lower costs of medicines have led to a higher penetration of healthcare. Recognizing past success in

CASE STUDY

terms of dominating the global generics market and dropping out-of-pocket expenditures with affordable medication, the government of India has further strengthened its resolve to promote generics. A dedicated scheme called “Pradhan Mantri Bhartiya Jan Aushadhi Scheme” (Prime Minister’s Indian Public Medicine Scheme) has been launched to promote special stores selling generic medicines to the public. Already 850 such outlets are operating across the country and the government plans to expand this program several fold to ensure quality medicines for all at affordable prices. In India, where disease rates are among the highest in the world and the economic divide between the rich and the poor is gaping, the future of public health depends greatly on the success of

initiatives like these.

The availability of raw material has also made it possible for India’s pharmaceutical industry to flourish. Of more than 10,000 drug manufacturers in India, about 77 percent make only formulations and depend on external sources for API. “The Indian market is price-sensitive,” explains Rohit Khanna, Director of Ster Chem Pharma. “As long as raw materials meet the requisite quality standards, companies will buy from the cheapest available intermediary. It is the same chemical after all.” The impressive growth of India’s pharmaceutical industry has been propelled by formulation manufacturers, which could not have been so helpful without China’s abilities to process raw materials.

TIME FOR SOME CHECKS

At the same time, India

depends on Chinese resources for many essential drugs, including amoxicillin, ampicillin, ciprofloxacin (antibiotics), paracetamol (analgesic), and metformin (a diabetes drug). Penicillin, the drug that started the antibiotic revolution and remains a key treatment, is no longer produced domestically, but imported almost entirely from China.

The government has imposed some checks on imports. For instance, every pharmaceutical ingredient being imported into India must be pre-registered. This has helped keep track of not only quality and adherence to standards, but also the volume being imported.

To help the few remaining API manufacturers in India, anti-dumping duties have been imposed on some products that are made indigenously such as Vitamin A, C and Ceftriaxone Sodium Sterile. However, since this anti-dumping duty is imposed only on these specified items, formulation manufacturers have found ways to circumvent these duties by importing the precursor form of the intermediate (for instance, importing crude Ceftriaxone Sodium and sterilizing it in India).

ROCKY ROAD AHEAD

Among the recommendations of the Katoch Committee are pertinent ideas such as pharma hubs or parks where support is given for API production, investment in R&D, effluent treatment and patents. Already, a pharma

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July 28, 2016: China’s Fosun Pharmaceutical (Group) Co., Ltd. announces that it seeks to acquire an 86 percent stake in Indian injectables manufacturer Gland Pharma Limited in a deal worth up to 1.26 billion U.S. dollars. [VCG]





Indian scientists work inside a laboratory of the Research and Development Center of Natco Pharma Ltd., in Hyderabad, India. [IC]

hub is being developed in Hyderabad, and others are being planned across the country. “India has the capacity, but regulatory support is needed to encourage Indian players to make intermediates,” reveals a source at the API manufacturing company.

Needless to say, it is important for India to diversify sources of resources to safeguard its exports, and for China to diversify its market, the country must overcome supply and market risks and ensure that no single player (or country) maintains a monopoly or the power to control prices.

Presently, China imports finished drugs from Western countries, and as was noted by the Economic Affairs Secretary last year, since Indian drugs already meet the high quality standards prescribed by the United States, they would also meet Chinese standards. This could help balance the trade gap, and also open another market for India, while reducing China’s cost of end drugs.

With Donald Trump’s call to “manufacture in the United States” (along with a promise to drastically cut regulations and approval processes) expected to adversely impact India’s pharmaceutical

export, it is an important time for India and China to acknowledge their respective strategic advantages and work together to collectively become a more powerful global player.

With China’s API expertise and huge market for finished medicines, and India’s cost-effective but quality formulations, each country offers something the other needs. ⁴⁶

The author is a public policy consultant based in India with expertise in healthcare and sustainable pharmaceuticals. She has also been working on policy advocacy around issues such as antimicrobial resistance.

Expectations for Solid Sino-Indian Relations

By Wang Dehua

Under General Secretary Xi Jinping's leadership, the congress would bring development and prosperity to China and raise China-India relations to new heights while promoting peace, stability and global development.



The 19th National Congress of the Communist Party of China (CPC) drew widespread attention in India. For the most part, the Indian media objectively and impartially reported the event, covering the historic reform and achievements of socialism with Chinese characteristics under the leadership of General Secretary Xi Jinping, the addition of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era to the CPC Constitution, and the look of China's new central leadership with Xi at the core.

Some in Indian media have opined that the congress serves as a milestone for China's development and that the policies enacted at the congress will promote world peace, security and common development. Indians from all walks of life hope that China, under the leadership of the CPC Central Committee with Xi at its core, will continually enhance and strengthen China-India relations as it fosters peaceful and stable growth in the world.

After the 19th CPC National Congress, China-India relations should improve steadily.

OUT OF THE SHADOWS

China and India must escape the shadow of the border standoff in China's Dong Lang area and create a peaceful environment for both countries, which will herald the "Asian Century".

As the two major countries in Asia, China and India need to explore new methods to solve bilateral issues in the wake of the Dong Lang standoff.

Prior to the close of the 19th CPC National Congress, Balaraman Shakthivel, a reporter with the Tamil language department of China Radio International, published an article in Tamil titled *Major Country Diplomacy with Chinese Characteristics for a New Era Will Open a New Chapter Featuring Mutual Benefits* on the website of The Indian Express, sharing his understanding of the report President Xi delivered at the congress. In the article, Shakthivel wrote that Xi declared that socialism with Chinese characteristics had entered a new era, not only



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An International Think-Tank Symposium devoted to the 19th National Congress of the Communist Party of China titled "Implications for China and the World" was held on November 16, 2017 in Beijing, attracting more than 240 think tank experts and former political heavyweights from China and 31 other countries, regions and international organizations. The symposium also talked about topics like "an open and developed China with global economic opportunities" and "China's foreign policy and global peace and development." [VCG]

DISCUSSION



May 22, 2017: India's Tejas Express makes its maiden run on the Mumbai-Goa line. [VCG]

for the country's economic and political development, but also in terms of diplomacy. Major country diplomacy with Chinese characteristics promotes new international relationships and a community with a shared future for mankind, which implies that China strives for a harmonious neighborhood, respects each country's choices for its own development, upholds international justice and opposes interference in the internal affairs of other countries. In the new era, this diplomatic policy can help alleviate global conflict, strengthen relations with neighboring countries and turn a new page for international cooperation featuring mutual benefits.

In recent years, following the tide of history and keeping in line with the needs of their respective national rejuvenation, Chinese and Indian leaders have reached consensus on forging a closer

development partnership. Amit Shah, president of the Bharatiya Janata Party (Indian People's Party), sent a congratulatory letter to the 19th CPC National Congress, in which he asserted that under General Secretary Xi Jinping's leadership, the congress would bring development and prosperity to China and raise China-India relations to new heights while promoting peace, stability and global development. The two countries can pinpoint common interests and realize joint development by strengthening policy coordination related to China's Belt and Road Initiative and Indian Prime Minister Narendra Modi's "Act East Policy."

CUTTING THE TRADE DEFICIT

"Make in India" can align with "Made in China" to perfectly balance trade between the two countries.

In 2014, when Prime

Minister Modi took office, he prioritized economic development as his first goal and put absorbing foreign investment to the top of his economic policies list, considering the government's limited financial strength coupled with the urgent need to jumpstart the country's manufacturing industry. The Indian government has adopted successive measures to lower the threshold for investors' entry into the country's manufacturing sector. The "Make in India" initiative aims to improve the nation's environment for investment.

Modi also promised to streamline presently complicated regulations and approval procedures that could cause enterprises to transfer investment to other countries. Additionally, the Indian government designated six industrial corridors, namely Delhi-Mumbai, Chennai-Bangalore, East Coast, Amritsar - Kolkata, Bangalore-Mumbai and Bangalore-Northeastern Myanmar, as an important part of the "Make in India" initiative. According to the plan, investment-intensive projects like high-speed rails, smart cities and industrial parks are the "standard components" of the corridors, which evidences the Modi administration's determination to ignite economic growth. Compared to the other five planned corridors, the Delhi-Mumbai corridor has a higher starting point due to relatively mature infrastructure along the route,

so the government has allocated the greatest chunk of the budget to the corridor and considers it the most important project to attract foreign investment. The Indian government hopes that the Delhi-Bombay corridor's impending success will set a good example for the other five.

The alignment of "Make in India" and "Made in China" can relieve the trade imbalance between the two countries. In recent years, many Chinese companies have established factories in India after Modi introduced policies to attract foreign investment. For example, Shanghai Highly (Group) Co. Ltd. and the

government of Gujarat State reached an agreement to set up Highly Electric Appliance (India) Ltd., with a total investment of US\$71.8 million. China's Foton Motor Co., Ltd. signed a memorandum of understanding with the State of Maharashtra which declared that Foton would set up an industrial park in Pune. It will be finished in three phases before 2030 with a total investment of US\$5 billion. It is estimated to create 10,000 jobs and US\$20 billion of productive value per year. China Development Bank has signed a memorandum of understanding with the State of Gujarat that stipulates that the bank will provide financing

services for a Chinese industrial park focused on producing electric equipment in Vadodara. Financing will reach US\$1.8 billion by 2025 with an eye on creating productive value of US\$5.2 billion per year and creating 10,000 new jobs directly and 40,000 jobs indirectly.

DISPUTE CONTROL

The two countries must enhance mutual trust and manage disagreements to create favorable conditions to solve the boundary question.

At present, the idea of China as a threat is still lingering in India. However, the real threats to India's national security and

April 29, 2011: Xu Heyi, chairman of Beiqi Foton Motor Co. Ltd shakes hands with the chief secretary of the Government of Maharashtra State of India. Foton will build an automobile industrial park in the state, the first overseas factory funded and operated by the company. This investment is a crucial move for Foton's 2020 Strategy. [VCG]



DISCUSSION

interests primarily come from Southern Asia. India has endured resource and territorial disputes as well as ethnic and religious conflicts with some of its neighboring countries, which have damaged their relations. Although India implemented

over by history, over the past five decades, China and India have conducted many negotiations and signed some agreements including *Agreement between the Government of the People's Republic of China and the Government of the Republic of*

level military officials, creating favorable conditions for crisis aversion. The two countries are expected to solve all disputes through communication and dialogue.

CULTURAL EXCHANGE

The two countries should encourage exchange between people from all walks of life and organize China-India cultural communication projects to enhance mutual understanding.

Authorities need to promote communication between the two countries' think tanks, media and young people at all levels, helping China and India form a cooperative network across every front and embed friendly cooperation into social consensus. *Hindustan Times* once quoted a report of the Associated Press which said that Modi's 2014 state visit to China aimed to strengthen traditional friendship between the two countries and that economic cooperation was the cornerstone of the visit. As two ancient countries with profound civilizations, both China and India boast time-honored history and rich culture, and friendship between the two nations dates to long, long ago. The cultural bond between China and India will no doubt create favorable conditions for cooperation between the two countries. ☞



Situated in the Economic and Technological Development Zone of Linyi City, Shandong Province, China International Sino-Indian Science and Technology Innovation Cluster has drawn considerable high-caliber talent from countries like India, Ukraine, Russia and Czech Republic to research cloud computing, big data, software technology, intelligent robots and sensors. [Xinhua]

the “Act East Policy”, the challenge of regional security and its comprehensive national strength limit its strategic priority to Southern Asia and the Indian Ocean region. Only when China and India strengthen mutual trust, facilitate common links, enhance cooperation through talks, respect each other's sovereignty and move faster to solve disputes can their relations improve and start developing on the optimal track.

As for border issues left

India on the Maintenance of Peace and Tranquility along the Line of Actual Control in the China-India Border Areas, signed in 1993, *Agreement on the Political Parameters and Guiding Principles for the Settlement of the China-India Boundary Question*, signed in 2005, and *Agreement between the Government of the People's Republic of China and the Government of the Republic of India on Border Defense Cooperation*, signed in 2013. The two countries also hold regular talks between high-

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China-India Relations in Need of a New BRI Roadmap

By Pravin Sawhney

What does the Belt and Road Initiative's inclusion in the CPC Constitution mean for the future of China-India ties?

In a sense, the United States has bolted from Asia, leaving the field wide open for China to fill the geo-strategic vacuum with its Belt and Road Initiative (BRI). Therefore, all nations, big and small, are reassessing their foreign policies by the minute (Japan

being a prime example) based upon the stark reality that China is an established power that cannot be contained.

By remaining an exception that refuses to accept this truth, India is attempting the impossible. By positioning itself as China's rival – an unfair comparison based on

potential rather than present national power – India hopes to maintain an irreversible and steady rise. This is impossible.

Given the relative scope, size and strength of the project, China's BRI could only be matched by the United States' re-balancing ("Pivot to Asia"), which was announced in 2009

April 10, 2017: China-Myanmar crude oil pipeline begins service. On Myanmar's Madaya Island, technicians work on in the field. A prelude project of the Belt and Road Initiative, the China-Myanmar crude oil pipeline will benefit both countries. by Zhuang Beining/Xinhua



DISCUSSION

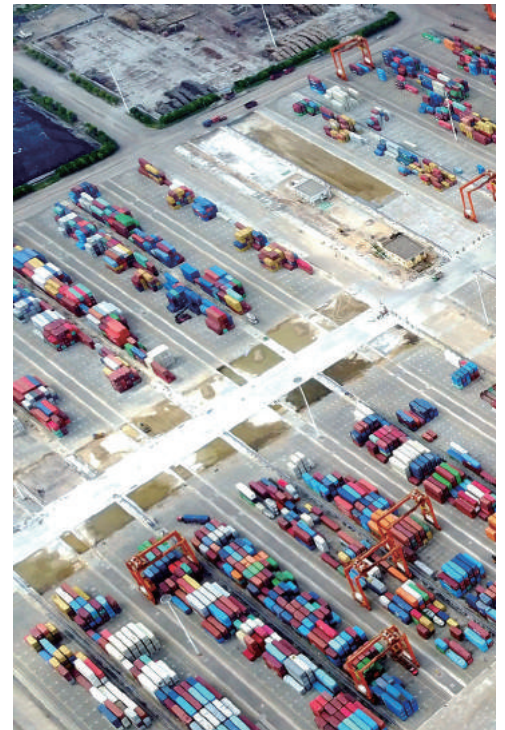


October 26, 2017: Polish workers are busy at LiuGong Dressta Co., Ltd. In 2012, China's LiuGong Machinery Co. Ltd purchased the machinery production division of HSW Corp of Poland, saving it from the brink of bankruptcy. LiuGong Dressta Co., Ltd. has created many job opportunities, which contributed to its recognition as the best national employer of Poland in 2014. [Xinhua]

by then-President Barack Obama and subsequently abandoned by President Donald Trump. The U.S. re-balancing act had two components: military and economic. Due to constraints in resources, the economic aspect did not receive enough attention. The economics were intended to be fueled by the 12-nation Trans-Pacific Partnership (TPP). Given the United States' unmatched military strength, the focus was unfairly shifted away from the TPP to the U.S.-backed military component to provide security (rule-based freedom of navigation across the Western Pacific and Indian Oceans) to U.S. allies and partners in the region.

The U.S. Pacific Command (PACOM), responsible for the Asia-Pacific, is slated to operate 60 percent of all 300 U.S. warships by 2020. U.S. PACOM commanding officer Admiral Harry Harris has expressed hope to convince India to become the net-security provider in the Indian Ocean Region. However, after the U.S. withdrew from the TPP, the military component of the strategy does not provide much to the region. It is not realistic to expect regional states to seek security from the U.S. military while they work for prosperity under China's BRI.

Meanwhile, the BRI has been booming. At face value, the initiative aims to connect



Asia to Africa and Europe across land (Belt) and sea (Road), through a network of roads, rails, coastal and port infrastructure and oil and gas pipelines, through policy coordination, and unimpeded trade and monetary circulation supported by the Brazil, Russia, India, China and South Africa (BRICS) New Development Bank, Asian Infrastructure Investment Bank (AIIB), Silk Route Fund, and other financiers. According to China, the BRI is as much about the China Dream of prosperity as it is about building an Asian community of shared interests.

The BRI, which was announced to the world in 2013 by Xi Jinping, got a shot

of adrenaline from three back-to-back groundbreaking events. First, the BRI was included in a UN Security Council resolution on March 17, 2017, signaling its global acceptability. Second, one of the biggest outcomes of the 19th National Congress of the Communist Party of China in October 2017 was the inclusion of the BRI in the Party's constitution.

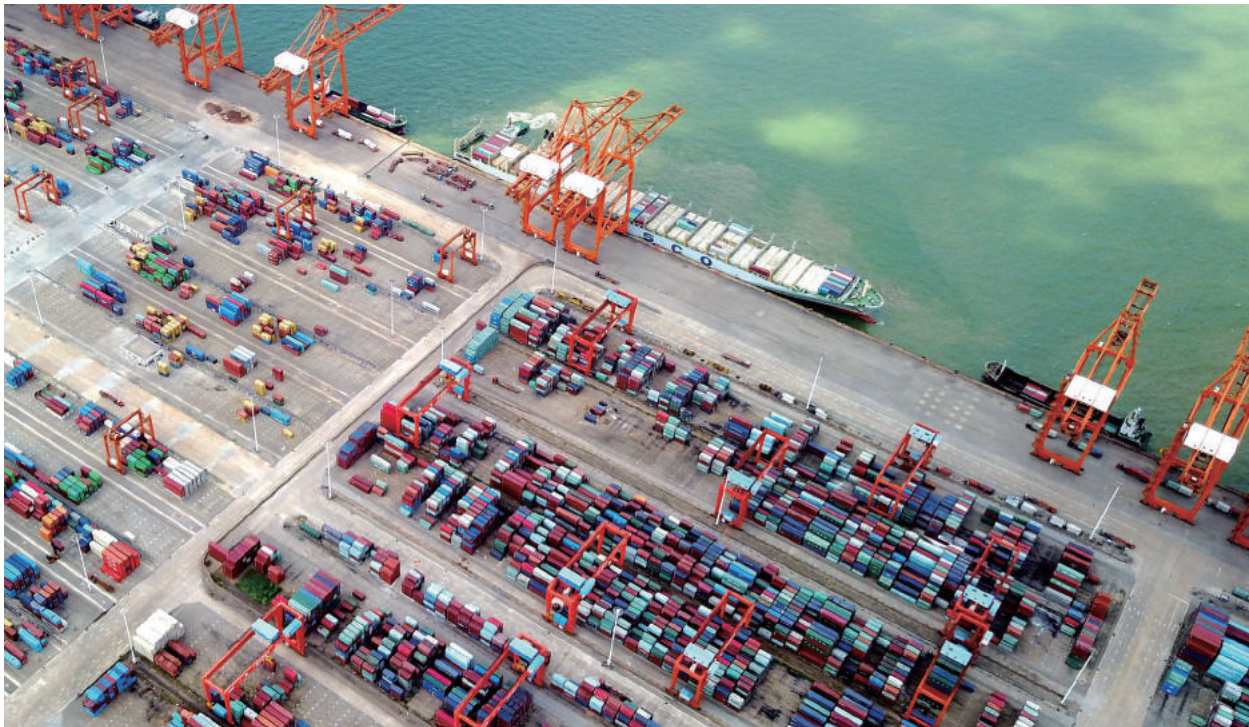
Furthermore, during Trump's maiden visit to the Far East as president in November, China asserted on its core demand for a 'new model of major-country relationship' in the joint press statement issued by Xi Jinping and Donald Trump. "As I said to the President [Trump], the Pacific Ocean is big enough to

accommodate both China and the United States," Xi stated.

India, the only major nation absent at the May 2017 Belt and Road Forum in Beijing, opposes the BRI for a variety of reasons including concerns about sovereignty surrounding the China-Pakistan Economic Corridor (a flagship project of the BRI), which passes through territory claimed by India; the possibility of China shifting its stated neutral position on Jammu and Kashmir towards Pakistan; and the military threat posed by increasing Chinese presence in the region surrounding India.

There is also the unspoken strategic factor: India believes that joining the BRI would limit the available strategic

In Qinzhou Bay on Southern China's coast, Qinzhou Harbor of Guangxi Zhuang Autonomous Region is striving to build an international passage to Southeast Asia to align with connectivity projects of the Belt and Road Initiative. by Zhang Ailin/Xinhua



DISCUSSION

options to foster its rise. Given this consideration, the best option for India would be to partner with the U.S. and other like-minded democracies to ensure that the present regional security architecture is not unsettled by the BRI.

With this objective in mind, Indian Prime Minister Narendra Modi announced the country's 'Act East, Think West' policy which emphasizes connectivity (with geopolitical implications), trade and manufacturing across two phases. After the success of SAARC, New Delhi is considering more sub-regional and extra-regional solutions under bilateral and trilateral arrangements. Examples include the Bangladesh-Bhutan-India-Nepal (BBIN) matrix and BIMSTEC. Nations including Myanmar and some ASEAN members would be included in this phase. In phase two of Act East, which India hopes to launch in a decade, the focus will be on increased trade and manufacturing with Japan and

South Korea.

Regarding the Indian Ocean Region, Delhi intends to improve connectivity and security ties through shared coastal surveillance and military exercises with the Indian Ocean Rim Association, founded in March 1997 by coastal states bordering the Indian Ocean. This was to be done through Sagarmala, the Spice Route and the Mausam initiative. Moreover, India attracted Japanese support with a pitch to develop an Asia-Africa sea corridor.

After withdrawing from the TPP, the Trump administration has sought closer ties with India. U.S. Secretary of State Rex Tillerson promised to strengthen the bilateral Major Defense Partner relationship for sales of military hardware and key technologies. The Asia-Pacific region was re-named Indo-Pacific to highlight a bigger security role for India up to the East China Sea. Furthermore, the decade-old idea of the Quadrilateral grouping or "Quad" comprised

of the U.S., Japan, India and Australia, was revived. The first related meeting at an official level was held in Manila on the sidelines of the ASEAN summit in November, however, deep uncertainty remains about its future; no nation wants to jeopardize its ties, or especially economic relations, with China.

With no worries about the Quad becoming a talk shop, Prime Minister Narendra Modi assured ASEAN that India "supports achieving rule-based regional security architecture" to counter China, without mention of the fact that ASEAN's combined trade with China is expected to hit U.S. one trillion dollars by 2020. India does not have deep pockets, an extensive navy or the engineering expertise to meet such commitments, especially with China finally moving towards a decision on a Code of Conduct (COC) with ASEAN to peacefully resolve outstanding disputes.

What are India's best options? In addition to India's

January 23, 2017: U.S. President Donald Trump displays the Executive Order withdrawing the U.S. from the Trans-Pacific Partnership (TPP) after signing it in the Oval Office of the White House in Washington, D.C. [VCG]





With a highly developed crisscrossing transportation network, Guangxi Zhuang Autonomous Region serves an important hub of the Belt and Road. by Huang Xiaobang/Xinhua


work with like-minded democracies and friendly liberal nations as part of its Act East policy, it should study the fine print of the Chinese offer. According to Chinese ambassador to India Luo Zhaohui, the two sides could consider “early harvest on the boundary issue and alignment of the BRI with India’s own development strategies.”

Three potential effects of an agreement can be surmised. First, China might trade, for instance, India’s need for mutually agreed alignment of the Line of Actual Control, in exchange for India’s participation in the BRI. Such a move would be a big step towards resolution of the border

dispute. Second, China might agree to a mutually acceptable solution to India’s sensitivity on the CPEC. Third, the consequence of such developments would itself be a positive push for peace between India and Pakistan.

If India was to align its Act East development strategies with the BRI wherever feasible and mutually beneficial – something both China and Russia want – its foreign policy options would increase exponentially. If a cue is needed, it could be taken from Japan. After winning the recent parliamentary elections, Prime Minister Shinzo Abe has sought closer ties with India, both bilaterally

and through the Quad. He re-negotiated the 11-member TPP after the United States’ withdrawal and promised support for India’s Asia-Africa sea corridor. However, Abe was all smiles, indicating a warming of ties, when meeting Xi recently at the APEC summit in Vietnam.

India should consider cooperation rather than rivalry with China. With India becoming the bridge between the United States and China-Russia, its irreversible rise would be assured. 

The writer is editor of FORCE news magazine and co-author of Dragon on our Doorstep: Managing China Through Military Power.

Highlights of Xi Jinping's Report to the 19th CPC National Congress

Edited by Hu Zhoumeng
Designed by Andrey Maleev



On October 18, Chinese President Xi Jinping, also general secretary of the CPC Central Committee, delivered a report titled *Secure a Decisive Victory in Building a Moderately Prosperous Society in All Respects and Strive for the Great Success of Socialism with Chinese Characteristics for a New Era* at the 19th National Congress of the Communist Party of China (CPC). Xi declared that socialism with Chinese characteristics has entered a

new era, and that the principal challenge facing Chinese society has become that between unbalanced and inadequate development and the people's ever-growing needs for a better life.

The report provides the blueprint for China to develop into a great modern socialist country by the middle of the 21st century. Its 30,000-plus words map out the country's strategies in economic, political, cultural, social and ecological development, national defense and military, work related to Hong Kong,

Macao and Taiwan, diplomacy, party development and more.

The report, developed around results from the CPC's state governance over the past five years, has generated widespread enthusiasm among Chinese people. After being translated into several foreign languages, it has also become a treasure trove of knowledge for foreigners hoping to better understand Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and China's path for development. 46

1 MAJOR ACHIEVEMENTS OVER THE PAST FIVE YEARS

China has launched over
1,500
reform measures

54 trillion
yuan

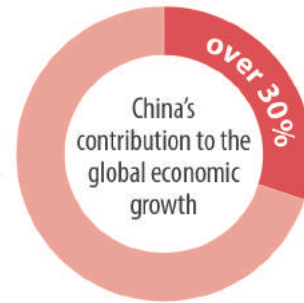
China's GDP

80 trillion
yuan

More than **80 million people** who have moved from rural to urban areas have gained **permanent urban residency**



Annual grain production has reached **600 million metric tons**



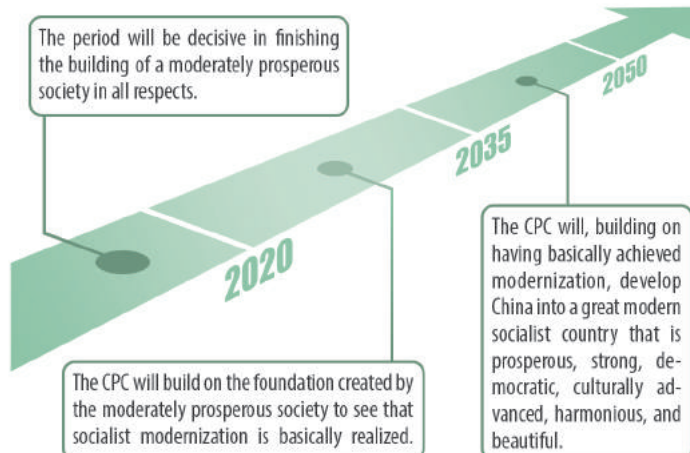
On average, over **13 million urban jobs** have been created every year

More than **60 million people** have been lifted out of poverty



2 BUILDING SOCIALISM WITH CHINESE CHARACTERISTICS FOR A NEW ERA

- The principal contradiction facing Chinese society in the new era is the one between unbalanced and inadequate development and the people's ever-growing needs for a better life.
- China is still, and will long remain, in the primary stage of socialism.
- China's international status as the world's largest developing country has not changed.



3 FUNDAMENTAL PRINCIPLES FOR DEVELOPING SOCIALISM WITH CHINESE CHARACTERISTICS IN A NEW ERA

- Ensuring Party leadership over all work
- Committing to a people-centered approach
- Continuing to comprehensively deepen reform
- Adopting a new vision for development
- Seeing that the people run the country
- Ensuring every dimension of governance is law-based
- Upholding core socialist values
- Ensuring and improving living standards through development
- Ensuring harmony between human and nature
- Pursuing a holistic approach to national security
- Upholding absolute Party leadership over the people's forces
- Upholding the principle of "one country, two systems" and promoting national reunification
- Promoting the building of a community with a shared future for mankind
- Exercising full and rigorous governance over the Party

4 DEVELOPING A MODERNIZED ECONOMY



Chinese economy has been transitioning from a phase of rapid growth to a stage of high-quality development. In developing a modernized economy, China must focus on the real economy, give priority to improving the quality of the supply system, and enhance its economy's strength in terms of quality.

China will:

- Foster a culture of innovation, and strengthen the creation, protection, and application of intellectual property;
- Further reform of state-owned enterprises, develop mixed-ownership economic entities, and turn Chinese enterprises into world-class, globally competitive firms;
- Deepen institutional reform in the financial sector, make it better serve the real economy, increase the proportion of direct financing, and promote the healthy development of a multilevel capital market;
- Improve the framework of regulation underpinned by monetary policy and macroprudential policy, and see that interest rates and exchange rates become more market-based.

5 PURSUING OPENING UP ON ALL FRONTS



China adheres to the fundamental national policy of opening up and pursues development with its doors open wide.

- China should pursue the Belt and Road Initiative as a priority.
- China will expand foreign trade, develop new models and new forms of trade, and turn itself into a trader of quality.
- China will improve the balance in opening its different regions, and open the western region wider.
- China will implement the system of pre-establishment national treatment plus a negative list across the board.
- China will significantly ease market access, further open the service sector, and protect the legitimate rights and interests of foreign investors.

6 ADVANCING LAW-BASED GOVERNANCE



- A central leading group for advancing law-based governance in all areas will be set up to exercise unified leadership over the initiative to build rule of law in China.
- China will carry out comprehensive and integrated reform of the judicial system and enforce judicial accountability in all respects, so that the people can see in every judicial case that justice is served.

7 GIVING PRIORITY TO DEVELOPING EDUCATION

- China will promote the coordinated development of compulsory education in urban and rural areas, while giving particular attention to rural areas.



- China will improve pre-school education, special needs education, and online education, make senior secondary education universally available, and strive to see that each and every child has fair access to good education.



- China will improve the system of vocational education and training, and promote integration between industry and education and cooperation between enterprises and colleges.



- China will move faster to build Chinese universities into world-class universities and develop world-class disciplines.



8 BUILDING A BEAUTIFUL CHINA

The modernization China pursues is one characterized by harmonious coexistence between man and nature.

China will:



- Promote a sound economic structure that facilitates green, low-carbon, and circular development;



- Get actively involved in global environmental governance and fulfill its commitments on emissions reduction;

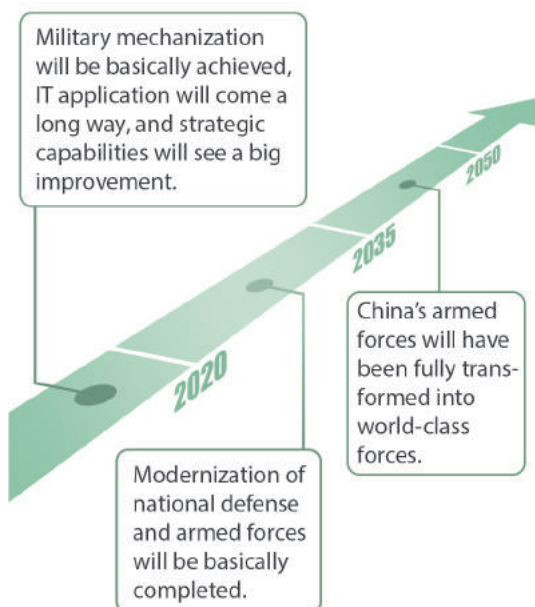


- Establish regulatory agencies to manage state-owned natural resource assets and monitor natural ecosystems;



- Develop a nature reserves system composed mainly of national parks.

9 BUILDING STRONG ARMED FORCES



10 FOLLOWING A PATH OF PEACEFUL DEVELOPMENT



- China will never pursue development at the expense of others' interests.
- China will never seek hegemony or engage in expansion.
- China calls on the people of all countries to work together to build a community with a shared future for mankind and build an open, inclusive, clean, and beautiful world that enjoys lasting peace, universal security, and common prosperity.
- China has actively developed global partnerships and expanded the convergence of interests with other countries.
- China will increase assistance to other developing countries, especially the least developed countries.

11 EXERCISING STRICT GOVERNANCE



- Corruption is the greatest threat the Party faces.



- China will deepen reform of the national supervision system, conduct trials throughout the country, and establish supervisory commissions at the national, provincial, city, and county levels, which share offices and work together with the Party's disciplinary inspection commissions.



- A national supervision law will be formulated.

Making My Home Better Policies and Plans for an Improved Life

Concept by China-India Dialogue

India's Youthful Hope

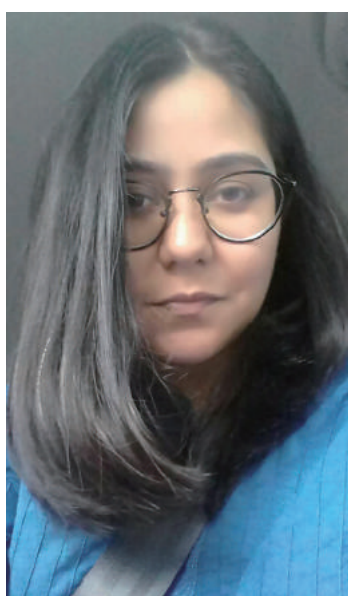
Pooja Bhatia

Age: 25

Occupation: Parliamentary
research intern

Birth place: Calcutta

Current residence: Calcutta



"At the stroke of the midnight hour, when the world sleeps, India will awake to life and freedom," said Jawaharlal Nehru on the eve of India's independence in 1947 in his famous 'Tryst with Destiny' speech. While India's experiments with democracy and development were no doubt unique and bold, after more than six decades since its awakening, the nation still has a long way to go before it can truly proclaim quality life and freedom for all its citizens.

The economy is sluggishly recovering from shocks caused by demonetization and tax reforms. The unregulated and unorganized informal sector continues to engage almost 90 percent of the country's workforce, making the possibility of minimum wage and social security benefits a distant dream for many. Farmer suicide and unemployment rates are at all-time highs.

The education and healthcare sectors require immediate attention in a country where almost half the population practices open defecation and unsanitary hygiene. Reckless development has led to polluted cities, excessive waste generation, ecological disasters and depleting resources. Newspapers are replete with gory stories of minority lynching, rapes, honor killings, scams and scandals.

The landscape may seem gloomy, but India's youthful demographic dividend offers hope. According to government data (Ministry of Skill Development and Entrepreneurship Report, 2015), India is one of the youngest nations in the world with more than 62 percent of its population in the working age group (15-49 years) and more than 54 percent of its population below 25 years of age. It is estimated that

the average age of India's population by 2020 will be 29 years. It is thus imperative that our policymakers focus on youth-based and youth-led development strategies in the next five years. Apart from formal sector job creation for educated youth, skill development courses and vocational training, I would like to see a committed policy to net neutrality (guaranteeing free and equal internet access for all) and mandatory sex education classes in all schools and colleges across the country. Instead of shying away from the subject, I wish we could have healthy conversations on sex, family planning, and reproductive rights.

Youth issues cannot be

resolved adequately without addressing concerns of gender inequality and women's rights. Women comprise 47 percent of the population and yet their representation in legislatures remains low. At present, women make up only 11.8 percent (64 MPs) of the 542-member Lok Sabha and 11 percent (27) of the 245-member Rajya Sabha. According to the *Women in Politics 2017 Report* (published by the Inter-Parliamentary Union and UN Women), India ranks 148th globally in terms of representation of women in executive government and Parliament. Even Afghanistan's budding democracy has a better representational strength of 28 percent. I believe it is time we bring gender to the

heart of all political activity by persuading our parliamentarians to immediately pass and implement the pending Women's Reservation Bill requiring a minimum of 33 percent female representation in Parliament and State Assemblies. The presence of more women in legislatures and assemblies will enhance the effectiveness of their voice and mainstream gender issues.

Women do not need protection; they need equal freedom and opportunities to realize their potential. They need better public transport and better policing, better education and healthcare; not moral diktats. I want to see a more progressive and responsive government policy on women in the coming years.

Home, Better Home

Li Yusi

Age: 23

Occupation: Post-graduate student at Beijing University of Chinese Medicine

Birth place: Tailai, Heilongjiang Province

Current residence: Beijing



Tailai, a small county outside Qiqihar City in northeastern China's Heilongjiang Province, is my hometown. I often note its legacy as a home of heroes, because in 1931, General Ma Zhanshan shot the first shot of the Chinese People's War of Resistance against Japanese Aggression there.

In recent years, thanks to China's development and favorable policies, great changes have taken place in my hometown: Roads are becoming broader and buildings seem to be getting higher. A crisscrossing network of railways and highways makes travel easy. High-speed trains

cut the single trip from Tailai to Harbin, capital of Heilongjiang Province, from a dozen hours to only a few.

When I was a child, my father often took me to play at Taihu Lake before it became polluted by sewage and wastewater from a nearby paper-making factory. Eventually, the local

YOUNG VOICES

government shut down some factories and required others to restructure and clean up their operations. Now, Taihu Lake has regained clear water and attracts many birds – it's now a state-class wetland park and a 4A-grade scenic resort. Once I met some foreign birdwatchers there who told me they came all the way from the U.K. to study a rare bird that lives at Taihu Lake.

Taihu Lake's beautiful scenery

has also made it the favorite destination for local activities. Seniors practice Tai Chi and perform group dancing there, while young people more often walk or jog.

Great change has also taken place in the Guangming Temple. Once a modest building, the Buddhist temple has been renovated into a magnificent structure. I once volunteered there and helped serve free lunch to the needy. It is a place

to pay good deeds forward and show love for each other. Everyone is polite and joyful. The selflessness and kindness of the people in my hometown reminds me that it is the best place in the world.

In my hometown, the people are modest and kind and the environment is healthy and clean. The small county is getting more beautiful and its residents are enjoying improved lives.

Policy for More Just Economics

Mitali Gupta

Age: 20

Occupation: Law student

Birth place: New Delhi

Current residence: New Delhi



As India today slowly struggles to accept and embrace ways of life and freedom that remain distant, it becomes necessary for the government to make simultaneous changes in policies to not only quicken this transformation but also to solidify it.

To live up to its desire to

become a superpower soon, India needs to make certain changes in its policies – and fast. In the next five years, it is important that government policies focus on tapping the potential in certain socioeconomic sectors of the country. Of these, policies that cater to social justice and economic security must be given immediate attention.

Equity is central to development. For any country to move forward, it must ensure that all its people come along. There is no space, and need be no tolerance, for the marginalization of any community. Perhaps this is what makes policy changes pertaining to human rights so important and central to the process of development. There needs to be a system of relevant laws and policies to ensure no people are marginalized.

Other issues that require attention are related to accessibility. Most public toilets in India are not unisex. There

is a need for infrastructure that is gender-fluid and does not restrict movement based on gender. A tip could be taken from China, where in May 2016, a Beijing-based non-governmental organization launched an 'All Gender Toilets' campaign to bring more awareness to this issue. This led to the construction of unisex bathrooms at about 30 locations in China.

For any country to grow, its citizens must feel – and be – safe and secure. Policies such as these will not only promote a sense of safety, but also contribute to the creation of an environment that is secure and empowering.

Another area that requires urgent attention is the economic sector. India needs to focus on policies that attract greater investment.

One major barrier to this is a lack of security for potential investors. The intellectual property laws in India are fraught with loopholes that make plagiarism and theft

common. It is important that laws be strengthened so that technology and innovation can be adequately protected.

Other confidence-building measures could include improving trade dispute resolution mechanisms and enhancing transparency and consistency in corporate taxes. For instance, the introduction of the Goods and Services Tax (GST) – part of an effort to simplify India's tax regime – was criticized on other grounds

but has generated hope for a more regular flow of investment.

India must also focus on restructuring its policies so that human resource can effectively move from under-performing sectors to emerging sectors. Considerable potential lies in medium and small enterprises. The attention of the State is required to help these enterprises with relevant modern technology and more skilled labour.

The burden on the government of India today is not small – they need to find ways of using laws to promote social transformation via methods conducive to the psyche of the people. Until and unless resident potential is tapped effectively, development and growth shall continue to be slow and distant. I remain hopeful that the government intervenes – either cautiously or radically – to ensure that the growth rate accelerates.

Stay True to the Original Aspiration, and Embrace a Promising Future

Ma Shuangxi

Age: 26

Occupation: Teacher

Birth place: Tieling, Liaoning Province

Current residence: Shenyang, Liaoning Province



My hometown, Shenyang, in Liaoning Province, is China's old northeastern industrial base. Over the past five years, Shenyang has developed and changed quickly. The urbanization rate has increased rapidly, and many former agricultural workers are becoming urban residents. The plan to rebuild the shanty town has improved housing conditions for numerous families in poverty. High-speed trains, subways and trams make it tremendously convenient for citizens to move about, and the bridge over the Hunhe River has eased traffic congestion. Construction of new Taoxian airport terminals has made traveling more comfortable and the airline market has expanded. Wetland ecological construction along the Liaohe River, landscape corridor construction along the Puhe River and urban greening facilities construction have all improved the area's ecological environment.

During these five years,

many measures that benefit the people have been implemented, and a sense of achievement in the public has been significantly enhanced. A basic social security system covering both urban and rural residents has been established. Through measures like medical insurance reform, we will increase people's access to medical care and reduce the high cost in treatment. Through the activities to turn Shenyang into a national cultured city, citizens' cultural and moral standards have improved. To create a national hygienic city and food-safe city, food safety will be enhanced, and citizens will no longer worry about the quality and safety of their food and vegetables. By accelerating construction of pre-school, primary, secondary and higher education facilities, Shenyang's educational system has further developed with increased strength in the coming reform of the higher education entrance examination which is to be fair and equal. 61

Public Libraries in China Building an Informed Society

By Rajiv Ranjan

China's public libraries are not only "knowledge depositories" for research but also hubs for spreading and imparting knowledge to various segments of society.

The National Library of China. [VCG]



What is the most effective strategy for constructing a better society? Providing free education and opening the gates of learning centers to all is a good start. Libraries have remained pillars of knowledge for centuries. And countless variations have been uttered of the phrase coined by Francis Bacon and Michel Foucault: "Knowledge is power."

China's rise is not only about asserting its political power and leveraging economic strength but more precisely, aiming at investing in knowledge building. China has seen a spectacular rise of its universities in global rankings alongside growing output of patent-worthy technology and important scientific research. It is even challenging Western consensus in some social sciences by countering and providing alternative concepts and theories.

China's public libraries serve not only as "knowledge depositories" for research but also as bases for spreading and imparting knowledge to various segments of society. Access to libraries is free and requires only an ID. The introduction of "smart" library cards has enhanced patrons' experience by providing access to all facilities in the library. Lifetime membership is free. To borrow a book, all that is required is a small refundable deposit. Compare this to the public libraries in India: It seems administrative hurdles are designed to restrict access to knowledge which was historically a privilege for only a few. For instance, to

get membership at Jawaharlal Nehru Memorial and Library in New Delhi, commonly known as Teen Murti Library, an applicant needs an identity card (such as Pan Card, Aadhaar Card, Official ID, or Student ID), a reference letter from an institute or proof of being an independent researcher and a fee based on packaged membership options. Common citizens are discouraged from access to libraries.

China has invested generously in its libraries. The soothing and striking architecture was designed by both Chinese and world-renowned architects, and the country's libraries are becoming the benchmark for magnificent buildings. Recently, the Shanghai Library announced expansion with an east branch in the Pudong New Area, the newly developed hub of financial and business activities and modern attractions. The bid to design the building was won by Denmark's Schmidt Hammer Lassen Architects.


The National Library of China in Beijing serves as the repository for all publications in China and holds a rich collection of foreign publications as well. With five-star basic amenities, endless stacks of books, newspapers and journals both in hard and electronic format, audio and visuals resources, including TV dramas and movies, libraries in China are not only learning hubs but also destinations for public discussion and other gatherings.

Computers provide access to digital resources such as recordings of interviews, public lectures, movies and TV serials, which are all freely available. More importantly, prompt

Chinese translation of a wide array of books published in English and other languages and their availability in libraries and shops keeps the Chinese public fully aware of developments in different parts of the world, not only political, but also social and literary.

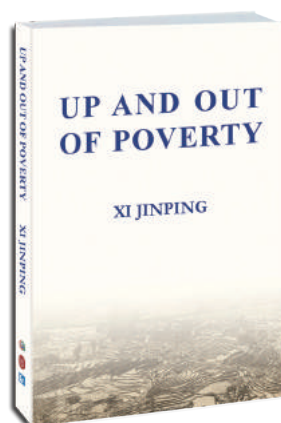
Imagine a whole family spending a day in a library: Children's corners are designed to foster the habit of reading from the beginning. Meanwhile, parents can turn to their own books, newspapers or magazines in different sections. Libraries have escaped dullness to become engaging and cater to the various needs of society. Automated borrowing and return services, 24/7 returns in some big libraries and journal e-database (paid services sometimes) ensure the public stay excited about reading.

A library built on Shandong University's Campus in Qingdao City with public funds is now open to all of the city as well as those from nearby areas lacking a public library. The institution was founded to ensure knowledge is open and inclusive.

Libraries have also stayed caught up in the era of internet and social media. Libraries' websites are regularly updated with all sorts of information and activities. Anybody with access to the internet can browse through their catalogues, check personal accounts, read free e-books and magazines, reach digital documents or get notified on WeChat of various activities and the arrival of new books. 

The author is an assistant professor at Shanghai University's College of Liberal Arts.

Up and Out of Poverty



Up and Out of Poverty (English, French)

Xi Jinping

Foreign Languages Press & Fujian
People's Publishing House
November 2016

Since the 18th National Congress of the Communist Party of China (CPC), China's central leading body, with General Secretary Xi Jinping at the core, the country's government has considered poverty alleviation the most pressing task at hand, its top political philosophy, basic system and the development path of the CPC and the People's Republic of China. Development-oriented poverty alleviation has become the central mission for the country to complete construction of a moderately prosperous society in all respects. As Xi pointed out, the most difficult work in the mission must be performed in rural, poverty-stricken areas themselves, and China cannot be made whole without transforming such areas into moderately prosperous societies.

Statistics reveal that between 2013 and 2016, China saw its impoverished population drop by 10 million, during which time 55.64 million people rose

from poverty—a population equivalent to that of a medium-sized country. Poverty dropped from 10.2 percent at the end of 2012 to 4.5 percent at the end of 2016. China's wisdom and successful practice in targeted poverty alleviation and elimination have drawn great attention from around the world.

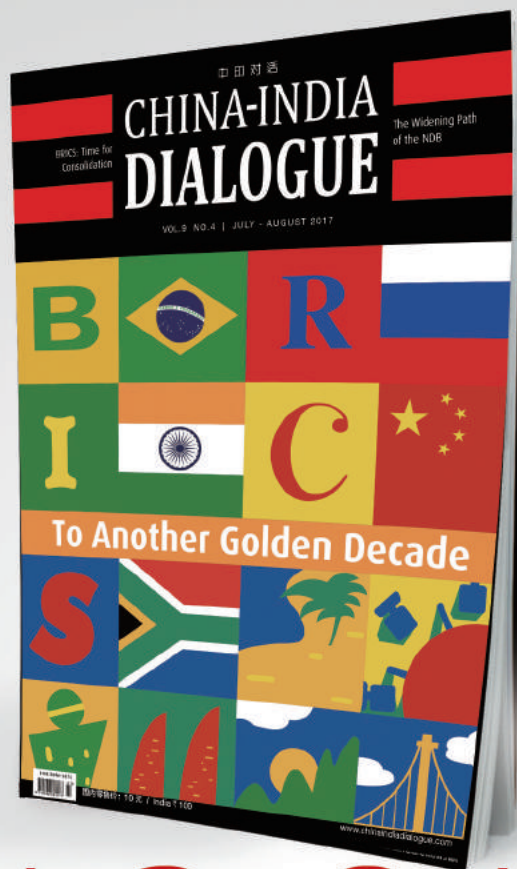
Up and Out of Poverty, originally published in Chinese in 1992, comprises 29 of President Xi's speeches and articles written during his service as Party secretary of the CPC Ningde Prefectural Committee in Fujian Province, from September 1988 to May 1990, alongside 10 color photos, six of which show Xi at work.

To eradicate poverty and boost development in eastern Fujian, Xi Jinping devised innovative plans, mechanisms and methods that are documented by the book, and answered questions, both theoretical and practical, on how to accelerate economic and social development there, touching upon

major topics of economic, political, cultural and social progress as well as ecological progress and Party building. Thoughtful and profound, vivid and cordial in style, the book is considered of high theoretical value.

Furthermore, it paints an engrossing picture of Xi Jinping's hard work during his two-year tenure in Ningde, a reflection of his unyielding determination to serve the people with all his heart and help impoverished communities rise up.

Zhang Fuhai, president of China International Publishing Group, addressed the release ceremony of the English and French editions of *Up and Out of Poverty* on August 23, 2017, noting that not only does the book document General Secretary Xi Jinping's ideals and faith in loving the people and serving them, but also his strategic thought, theoretical support and practical exploration of targeted poverty alleviation and elimination. 



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