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China-India Relations – Premier Li Keqiang’s Visit to India



Interview with Dr. Robert Lawrence Kuhn, long-time adviser to China’s leaders.

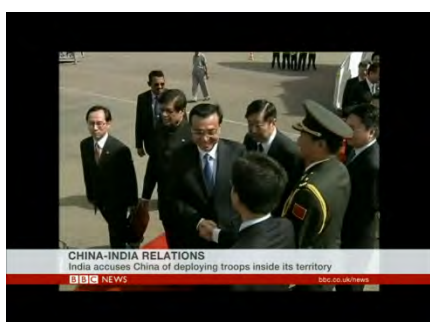
HOST: Let’s head to New York now. Robert Lawrence Kuhn is there. He is an advisor to the Chinese government, and he’s also author of, *“How China’s Leaders Think.”* Mr. Kuhn, will the economic imperative supersede the territorial dispute between the two countries?



Robert Kuhn (KUHN): Economics are very important, but we cannot overlook the politics. I was in India in February before the local border dispute that just occurred, and I can tell you that sensitivities in India are very high. They are still smarting from the 1962 war, which they lost badly. Indians perceive China to be surrounding India by helping Pakistan and with Chinese bases in the Indian Ocean. On the China side, I was in China speaking to the leaders a few weeks ago; there is less focus in China on India than in India on China. But - there is still great concern that India is somehow being roped into an American plot to surround and contain China, with South Korea, Japan, the Philippines, Vietnam, and now India, as an ‘arc,’ as it were around China. And then, of course, there’s India’s support for the Tibetan, Dali Lama. So, there are tensions on both sides, but both leaderships really recognize that they are both better served to have a peaceful relationship.



Economics are extremely important; China is now engaged in what will probably be the most significant reform efforts in 30 years, in the next period of time under the new leadership. They cannot afford to look weak on international policy. Nationalism is very critical for President Xi Jinping and Premier Li Keqiang to show that they are not bowing down to Western models. But, they still must make significant reforms, so they have to be strong nationalistically; at the same time they don’t want to drive India into this so-called American plot to contain China. So, it is a balanced point of view that the Chinese leadership has. But, ultimately, economics, you’re right, has to be the most important thing, as it serves both countries, China and India.





And, in economics, if you go back more than 30 years, in 1981, the Indian GDP was actually larger than China's. India was about \$200 billion, China's about \$170 billion. Even throughout the 80s, China's GDP was maybe 20 percent larger than India's. But, this year, China's GDP will approach \$9 trillion; India will be just over \$2 trillion, so China's GDP is more than four times India's. China has three provinces, two of which are 40 percent of India's GDP, one of which is almost 50 percent. So, there are great disparities, great competition for resources and various kinds of manufactured products. There are great tensions economically, but both countries recognize that if they cooperate together, this is the relationship that perhaps could set the agenda, more than any other, for the 21st century.

HOST: Mr. Kuhn, what difference do you think it's going to make to the talks that will be taking place in India, the fact that Li Keqiang is next going to Pakistan?

KUHN: Most important, Premier Li Keqiang chose India first, very symbolic. Just like President Xi Jinping went to Russia on his first visit -- that said a lot to the international community about China's independence. By Li Keqiang coming to India first, it sets the agenda that India is most important. Pakistan is China's long-time, so called 'all-weather friend', and there's a historical reason for that -- I'm sure that will be discussed. Indian leaders are very concerned about the fragility of Pakistan and what that can mean for their country, in terms of the extremism in Pakistan, the lack of a coherent government. I'm sure that India will be talking to China about that. Instability does not serve China's interest; they are interested in stability in every way, but in a way that conserves Chinese nationalism. Because leaders must be strong in order to implement the reforms that are desperately needed.

HOST: Robert Lawrence Kuhn, we appreciate it. Thank you very much, indeed.