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Inside China 2012

Second Annual Conference



Conference Report by Narayani Basu

China Research Programme

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**Inside China: Political Developments, Social Change
&
Economic Concerns
Second Annual Conference 2012**

**Report Drafted by
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Its aim is to develop a comprehensive and alternative framework for peace and security in the region catering to the changing demands of national, regional and global security.

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SUMMARY

The China Research Programme (CRP) at the Institute of Peace & Conflict Studies (IPCS) organized its Second Annual Conference on Inside China on 8 September 2012. The primary focus of the conference was on the following themes: '*Political Developments*', '*Social Change*' and '*Economic Crisis*'.

The idea behind this conference is to generate awareness and understanding on the dynamics of the issues and challenges currently confronting China. The aim of the initiative is to provide a platform for young scholars and researchers across India to present their views on varied political and socio-economic aspects of the country. The inaugural session of the Conference was chaired by Prof. Chari, Dr. D. Suba Chandran (Director, IPCS), Prof. Anita Sharma (DEAS, DU) and Prof. Srikanth Kondapalli (CEAS, JNU).

The discussion focused on aspects such as the upcoming leadership transition in China and its impact on the domestic politics and democratic undercurrents of the country; the role of nationalism in China's soft culture; information monopoly as a factor in social unrest and China's strategy towards its peripheries. With the rise of China, such issues are key to understanding not just its rise but the country itself.

SESSION I: Eighteenth National Party Congress & Beyond

18th NPC: An Analysis

**Prof. Sreemati Chakrabarti, Professor of Chinese Studies,
Department of East Asian Studies, University of Delhi**



The 18th Party Congress of the Chinese Communist Party (CCP) is to be held in October 2012. This is an important event since it is one of the most significant milestones to demarcate the Party's legitimacy within the country. There have been some apprehensions regarding the impact of the Bo Xilai scandal on the progress of domestic politics. However, the Party's leadership has adapted its thought to not only include Mao Tse-tung's conception of politics and power, but also those of Deng Xiaoping and Jiang Zemin which is indicative of the fact that the CCP is no longer a believer in cult politics.

Put in historical perspective, it is important to note that from the year of its inception in 1921, the membership of the CCP grew by leaps and bounds. During the pre-1949 era, much of the Party's activities were controlled by the Comintern in Moscow. Additionally, the CCP was characterized by intra-party factions, much of which rose to the surface post the death of Dr. Sun Yat-Sen in 1925. With the rise of Mao through the ranks of the Party, one must remember that while there was some amount of stability, this was threatened by constant skirmishes with the Kuomintang (KMT). Party Congresses, as a result, were rarely held regularly, with the exception of a Congress held in 1945, under the aegis of Mao. Post 1949, despite political instability, Party Congresses began to be held in the face of intra-Party rifts and factions, with the exception of the period of domestic strife during the Cultural Revolution.

Party Congresses, then, were highly indicative of power shifts taking place within the Party. This must be put in context of the transformation taking place in the political echelons of the CCP, in the post Mao era —from a one-man leadership to a two-man leadership. However, a vital factor to note in today's context is that while membership has dwindled, the socio-economic base of the Party membership has also changed.

Regular Party Congresses, therefore, are not only indicative of Party legitimacy, but are also a review of past mistakes and a roadmap to the future, besides being a strong reflection on intra-Party consensus and cohesiveness on major issues.

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Factionalism in China: Between “tuanpai” and “princeling”

**Shreya Singh, M.A., Department of East Asian Studies,
University of Delhi**

With the conclusion of the 18th National Congress of the Communist Party of China in late 2012, Xi Jinping will be the President of the People’s Republic of China and Li Keqiang, the Premier. Xi Jinping is from the ‘princeling’ faction and Li Keqiang is from the ‘*tuanpai*’ faction. This factional division raises questions about what these factions constitute as well as their relevance to current Chinese politics.

Another key feature of the change of guard is that it would usher in the Fifth Generation of leaders. Moreover, with Xi Jinping coming to power, it would be the first time a ‘princeling’ would be at the top position in the PRC.

The ‘princelings’ literally translated as ‘Crown Prince Party’ or the elitist coalition consists of the descendents of the revolutionaries. The ‘*tuanpai*’ or the populist coalition is groomed as potential leaders in the Chinese Communist Youth League. They are part of China’s modern sectors of economic growth and reflect the rise of a nascent tendency within the CCP—the ‘new left’ that stresses on the revival of the ‘red cult’ which is a return to the Maoist style of socialism adapted to suit contemporary China.

On the other hand, ideologically, the ‘*tuanpai*’ focus on the lesser privileged, are more populist in character and have served in China’s hinterland. Their main concerns are the farmers, migrant labourers and the urban poor.

On close observance one can identify the nuances of these ‘factions’ and how they have many ideologically commonalities. The shift from pre-1989 socialist economy to the post-1989 ‘socialist market economy’ was characterized by ‘crony capitalism’. This made self-preservation and maintaining the status quo a primary agenda of the state. In fact, the Chinese state’s defense budget allocation to the People’s Armed Police is more than the People’s Liberation Army, with its internal security allocation at \$111 billion which proves the importance of self-preservation for the CPC.

The political leadership would intend to maintain the status quo of the ‘socialist market economy’ especially with the coming up of such a crucial time in the PRC.



“The ‘princelings’ literally translated as ‘Crown Prince Party’ or the elitist coalition consists of the descendents of the revolutionaries. The ‘tuanpai’ or the populist coalition is groomed as potential leaders in the Chinese Communist Youth League.”

China's Path Toward Democracy: Prospects and Challenges

H.S.K. Nathan, National Institute of Advanced Studies,
Bangalore

Though some democracies have not been a testimony to it being the best form of governance, historically, democracy is seen as the inevitable political system that every country will adhere to sooner or later. In the last half of the previous century (1950-2000), the share of governments elected by universal votes went up from 14 per cent to 63 per cent. China, accounting for 60 per cent population that live without the guarantee of basic rights, is one of the few countries that have continued with a single political party system (as opposed to multi-party system), whereas worldwide, such systems have collapsed and revamped themselves to a more democratic form of government. In this context, it is interesting to study the state of democracy in China and understand its prospects and challenges.

What is required is a methodology to assess the extent of democracy in China. In order to do so, a framework is necessary to measure how democratic China is. The framework follows an indicator-based approach, where the different dimensions of democracy are identified; namely, elections, freedom, transparency, equity, and peace. The dimensions are further split into different components and indicators are shortlisted to represent them. Analytical hierarchical process is used to find the relative weights of different dimensions and components within a dimension.

When multiple indicators are to represent one component, the weights of the indicators are determined relative to each other. For weights as well as scores, experts in the field of political science and China studies are consulted. Displaced ideal (DI) technique is used to aggregate the components to get the composite index of democracy. Once the extent of democracy in China is assessed, the paper looks into the dimensions and components where democratization is needed most, the prospects and challenges to it, and how China's performance is going to alter in the future with perennially changing circumstances.



“China, accounting for 60 per cent population that live without the guarantee of basic rights, is one of the few countries that have continued with a single political party system whereas worldwide, such systems have collapsed and revamped themselves to a more democratic form of government.”

18th NPC: An Analysis

Professor Srikanth Kondapalli, Professor of Chinese Studies, Centre for East Asian Studies, Jawaharlal Nehru University



The run up to the 18th Party Congress of the CCP remains blemished by the Bo Xilai scandal, and the exposure of factionalism within the Party ranks. However, it is marked by certain shifts in foreign policy orientations which are likely to not only find a place in the Congress Report, but also a place in the later functioning of the political machine. For instance, the White Paper on Peace and Development released prior to the Congress, reveal a tactical retreat on certain core issues such as the South China Sea. The speech by Hu Jintao at the 90th anniversary of the CCP is also highly indicative of the changes taking place in domestic politics and may find a place in the Report to be released in October. The Twelfth Five Year Plan too, will find its place in the goals and objectives of the incoming leaders. These three developments have, in fact, taken the spotlight away from the scandals that have marred the transitory process.

The Congresses of 2002 & 2007 have revealed goals of building a more well-off society. Certainly, China has progressed economically with the tackling of agricultural reforms and health insurance systems, with a view to promoting the welfare of the middle class. The White Paper on National Defence released in March, is indicative of the fact that China may use the globalization process for its own agenda. But at the foreign policy level, one may note China's desire to be a responsible international power, which is likely to find a place beyond the 18th Party Congress. More importantly, the 'three-pillar' strategy has been replaced by the 'five-pillar' strategy in which, China will seek to improve relations with neighbouring and smaller countries as well as great powers and expand its soft power too, while focusing on a more multilateral sub-continental approach. In this context, the nature of the power transition is important, especially in the face of the stability of US hegemony. In terms of theoretical precepts to guide these new shifts, the concepts of scientific development and harmonious world will be maintained.

With a number of older members retiring in this session of the Congress, there will be an injection of fresh blood into domestic politics. Despite this, there remains strategic intra-Party unity and tactical dis-unity on issues that face the country.

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BOOK RELEASE

China's Discursive Nationalism: Contending in Softer Realms

By

Bhavna Singh, Senior Research Associate, IPCS



DISCUSSANTS:

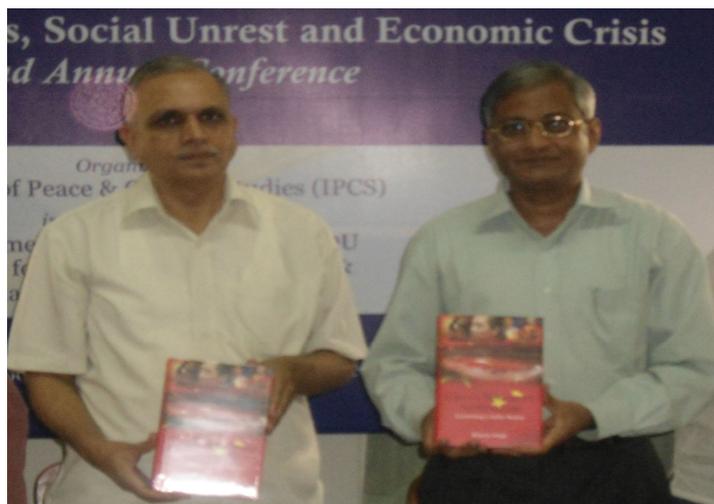
Dr. Arvind Gupta, Director General, Institute of Defense Studies & Analyses (IDSA):

The book is a timely addition to foreign policy shelves. At a time when there is a growing need to understand China, this is a book that will enhance the reader's knowledge of the workings within the Chinese nationalist machine. In the context of contemporary events, from the imminent leadership transition to the anti-Japan popular protests in the streets of China, and on issues from historical animosity with Japan to anti-American protests against activities in the South and East China Seas, nationalist discourse plays a vital role in contemporary Chinese foreign policy. In today's day and age, the role of social media—both print and electronic— is critical to understanding the rapid spread of nationalism through the country. Popular nationalism, rooted as it is in the softer realms of culture and pop culture today, is a dangerous sign of the times for the Communist Party, especially given the fact that the use of patriotic nationalism has been a trump card in the hands of political leaders in China from the days of the Opium Wars. Rooted as it is in the 'century of humiliation', the present nationalist discourse in China is growing and expanding into realms that are vital in today's world. But only time will tell where this new discourse will lead.

Prof. Anita Sharma, Head of Department, Department of East Asian Studies, University of Delhi

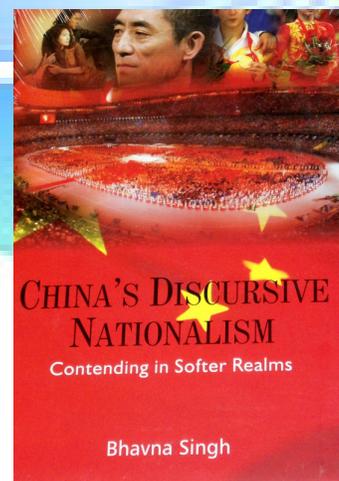
When one speaks of Chinese nationalism, it is important to put it in historical perspective. From the Qing rulers onwards, China's political leaders have moulded the concepts of nationalism in order to meet their needs. The precepts of Dr. Sun Yat Sen and Mao Tse-Tung, for instance, shaped nationalist discourse in order to fit the mould of a nation state. Questions of identity were the common denominator here—identity of state, of ethnic-

ity and nationalism. Post 1949, this search for Chinese-ness continued and is a large factor in Chinese nationalism today. With the opening of the Chinese economy in the 1980s, the question of nationalist discourse has been linked with the idea of economic progress as well as social and political aspirations, even to date. Further still, this has been linked with issues of sovereignty and territorial integrity. It is driven on by the role of social and print media in fanning the flames of nationalist discourse. On the whole, it is a book that is indeed arriving on shelves at the right time.



Professor Srikanth Kondapalli, Professor of Chinese Studies, Centre of East Asian Studies, Jawaharlal Nehru University

The book looks at the role of the public sphere in nationalist discourse. Popular nationalism is not actively encouraged by the Communist Party. Having said that, it is important to remember that the Party keeps a tight rein on the forces of nationalism that are at work within the country's political machine. Controlled nationalism is then, a key component of nationalist discourse in China. Research must not only be focused on current issues and foreign policy hotspots, but should also look at innovative ways to discover how China works. This book is a prime example of this. It has taken a domestic perspective to look at international aspects such as Taiwan and the South China Sea.



SESSION II: China's Relations with its Periphery

PRC: Exercising Power at the Margins: China's Relations with Yunnan, Sichuan, Inner Mongolia & Xinjiang

Brig. Rahul Bhonsle (Retd.), Director, South Asia Security Risks



The Westphalian nation state as the 17th Century innovation of governance has survived over the centuries. The Asian continent in the post colonial era, witnessed boundaries being redrawn on more or less traditional lines, as “imagined” or civilisational states. China could be seen as an example of this paradigm where the legitimacy of power of the centre was established through varied instruments, be it political or military on the periphery. Where such boundaries were not distinct, the dominant political instrument—military or police—was used to bring various outlying entities into the larger state rubric.

In the case of China, the outlying provinces owed allegiance to the central authority as vested symbolically in Beijing during specific periods in history. Inter-relationship depended on the power of the centre vis a vis the margins. A common factor that has attracted the central regime in Beijing to outlying provinces is vast natural resources such as agricultural largesse of Sichuan as well as mineral and oil wealth of Xinjiang and Tibet which have so far been unexplored. For instance, the Chinese quote, “treasure on every mountain, oil in every basin” signifies the economic value of Xinjiang. Thus, an economic motive besides the political one, is evident. Over the last six decades, the PRC state and the CPC have used a variety of instruments to control and contain dissent and discord in the margins to include management of ethnic demography, administrative reorganization, constitutional provisions and acts such as REAL and, development. The State has also used the military unhesitatingly, where assimilation or managing dissent is required (as in Tibet or Xinjiang). While these instruments have by far been successful in maintaining state control over the periphery, continued challenges can be envisaged given the pressures on cultural and ethnic identities in an age of globalization and information. Thus, new instruments of state control including over the media may emerge to counter future challenges.

“China could be seen as an example of this paradigm where legitimacy of power of the centre was established through varied instruments, be it political or military on the periphery. “

Domestic & International Linkages of Uighur Nationalism

R. Veena, PhD Scholar, China Studies Centre, IIT-M

China articulates the idea of harmony in its understanding of the state-society relationship in the context of its ethnic minorities. Tibet, Taiwan and Xinjiang as disputes, challenge the domestic harmony of the Chinese state. The challenge posed by these regions violates not only the domestic harmony of China but also its pursuit of stability in its external relations and hence, challenges Chinese articulation of the establishment of a “Harmonious World”. The Uighurs constitute one of the largest Muslim minority groups in China. Xinjiang has always been recognized for its strategic value due to both its abundant natural resource reserves and its geographic location.

The introduction of China’s Western Development Programme with an intention to spur on the economic growth of the region and an expectation that it would reduce the degree of ethnic conflict, in reality, turned down the situation and contributed to an increase in the antagonistic sentiment and closeness towards a Pan Islamic identity among the Uighurs. The increased investment and opening of Xinjiang borders to trade, fostered the notion that the Uighurs belonged to the Central Asian pan-Islamic community. This had the corollary effect of further distancing the Uighur community from their Han Chinese “brothers.”

Ethnic nationalism is a challenge to the quest for preserving stability for the present regime of China which seeks to maintain its pace of economic growth without any disturbance. Simultaneously, China’s efforts to improve its engagement with the Islamic world also strategically serve China’s domestic interests in achieving stability, in Xinjiang region in particular, especially post 9/11.



“Ethnic nationalism is a challenge to the quest for preserving stability for the present regime of China which seeks to maintain its pace of economic growth without any disturbance”

China's Strategy Towards Its Periphery

**Professor Abanti Bhattacharya, Associate Professor ,
Department of East Asian Studies, University of Delhi**

In the 21st century, China has seen its economy develop rapidly, its comprehensive national strength has grown and its international status has risen. Yet, the Chinese leadership avers that its external environment is facing many uncertainties and new challenges and this is testing China's rise in the new era. Among the challenges confronting China's security environment today, the periphery security issue has been considered most worry-some. China regards its periphery as most volatile not only due to the presence of the minority nationalities all along the greater part of its periphery and the unresolved disputes of land and maritime boundaries, but also, due to the presence of the US in its periphery. In fact, Beijing avers that countries in its periphery have invited the US to stage a conflict with China. In order to preserve a peaceful periphery environment and at the same time ensure no loss of its territorial possessions both in land and sea, China has envisioned a periphery policy (*Zhoubian Zhengce*) to confront the new challenges of the post 9/11 era.

China's periphery strategy however, is not a new strategy. It has been an integral part of Chinese diplomacy since imperial times. In the post -1949 period, the CPC inherited the imperial frontier pacification through the adoption of the ethnic classification project and development of Regional Autonomy system. Subsequently, in the 2000 decade, China introduced the Western Development Strategy to consolidate its periphery. The five-point Western development strategy of Han-ization, resource extraction, military deployment, infrastructure development and repression resonated of the imperial strategy of border control and development. At the end of the Cold War era, China embarked upon building partnerships and evolving multilateral security structures all along its periphery - the Shanghai Cooperation Organization in the northwest, the Six-Party Talks in the northeast, the ASEAN Plus Three in the southeast and observer member status in the SAARC in the south. In the post-9/11 era, the war on terror has brought the US on China's doorsteps- both in the cases of Central Asia and in the Af-Pak region. The current US pivot to Asia-Pacific is discerned as America's belligerence in China's periphery and this has induced a new urgency in China's periphery strategy.



“In order to preserve a peaceful periphery environment and at the same time ensure no loss of its territorial possessions both in land and sea, China has envisioned a periphery policy (Zhoubian Zhengce) to confront the new challenges of the post 9/11 era.”

SESSION III: The Eurozone Crisis & Implications for China

Export Controls, Pricing and Price Movements of China's Rare Earths: The West Can No Longer Accept the Crisis

Nabeel Mancheri, National Institute of Advanced Studies, Bangalore



The Eurozone crisis affects many European countries, U.S. and Japan. These countries are completely dependent on China for rare earth elements. China is the world's largest depositor, producer, consumer and exporter of rare earths, controlling 97% of the global supplies with virtual monopoly over rare earths. The present study explores the Chinese role in the supply-demand equation. The study investigates who the major customers are and analyses the various trade restrictions imposed by China and its impact on rising prices in the international market.

Rare earths are a critical component of many high technology goods and are an important ingredient in lasers, superconducting magnets, and batteries for hybrid automobiles. The growing economy of China is creating a worldwide risk to supply as, China's growing consumption limits its export of rare earths. As a result, China has started to regulate the rare-earth industry intensively since 2010 and restricts the export of these minerals. The policy measures have heightened the consolidation process of the industry and the country has started to build strategic reserves of these minerals. These policies provide China more power to fix the prices and control the supply in the international market.

China's export controls on rare earth metals and non-rare earth metals such as tungsten and molybdenum, which have many industrial uses, are at the heart of the complaint. In the present case, the complainants claim China is placing a range of export restraints on various rare earths and non-rare earths including export duties, export quotas, export licensing and minimum export-price requirements. They further contend that the Chinese measures aim to satisfy domestic demand first and also control the international price of minerals in violation of WTO law.

“The growing economy of China is creating a worldwide risk to supply, as China's growing consumption limits its exports of rare earths. As a result, China has started to regulate the rare-earth industry intensively since 2010 and restricts the export of these minerals.”

The Eurozone Crisis & Implications for China: A Comment

**Professor Madhu Bhalla, Professor of Chinese Studies,
Department of East Asian Studies, University of Delhi**

The Eurozone crisis has deeply worried China. China has a huge manufacturing capacity, but its markets are collapsing in the face of the crumbling European markets. The Eurozone problem was not regarded to be as massive as the collapse of the American economy. However, in the face of its own slowdown, China's political leaders have had to look at the Eurozone crisis as a big factor in the slowdown of its own GDP growth.

On the other hand, the crisis can also be seen as a bargaining chip in order to redefine certain important global economic rules in the favour of Beijing. China is now positioning itself as an important investor in bonds, shares and infrastructural projects in the European Union (EU), especially in the UK. This is in direct contrast to the fact that in 2011, trade with the EU came down to 428 billion Euros, impacting China's economy heavily.

China, therefore, feels the need to commit to the protection of the Euro, as it may be its only hope for a multi-polar financial world. So far, the Yuan has been pegged to the dollar. Not only would China like to see the Yuan as an international currency, but it also feels that it would be more feasible to peg itself to the Euro. With this in mind, China has slowed down investment in US security bonds by as much as 20 per cent in 2010—a sharp movement away from the US debt crisis, and a corresponding inclination towards the EU. What is significant here is that despite this, there has been no official Chinese endorsement of the economic policies of the EU. This has to do with larger strategic gains—lifting the arms embargo, which would mean that China would gain access to arms and gaining market status, which would mean that China would gain access to markets. China is also looking at acquiring infrastructure projects in the EU. Nevertheless, the transition from an export driven economy to a consumption driven economy is certainly going to result in a further contraction of the Chinese GDP. In light of this, China would prefer EU markets to be more dynamic than they are now. The crisis has also put a new question over economic regionalism within the Asian subcontinent with multilateralism being seen as a constraint upon individual countries in reacting to economic shocks.



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SESSION IV: Social Unrest in China

Social Unrest & Information Monopoly in China: With Special Reference to Tibet

**Tilak Jha, M.Phil Research Scholar, Chinese Studies,
Jawaharlal Nehru University**

The Chinese state defends its *information monopoly* to maintain social peace and order. Most modern states have tended towards dealing with information as a *rational instrumental construct*. However, Communist China despite adopting capitalism and positioning itself de-facto as a *non-propaganda state*, continues to treat information as a strategic asset. The possibility of social unrest leading to political unrest has ensured strict screening of all information related to *Political China*.

Governments across the world have been notorious in holding over information of their exigencies during war and peace, humanitarian crises and ethnic disputes, communal riots and regional clashes. The post 1949 regimes in China have been no exception. Nobody ever independently assessed the great famine of the 1960s, the Tiananmen incident of 1989 or the fairness of the government's socio-politico-economic policies across China - least of all in Tibet, Xinjiang or Inner Mongolia. Worse, despite one of the most dramatic economic and social transformation over the last three decades, there remains enormous secrecy around the government's policies.

The major catalysts behind the nearly 200,000 protests that China faced in the year 2011 were land disputes, pollution, governance and labour concerns. In recent years, some of several such issues reached into the public domain (SARS cover up in 2003; Zhejiang train accident and Wukan villager's strike in 2011). Thanks to the media (mainstream and social) and the NGOs - Chinese state, despite its policy of media control, fought to stay accountable to public sentiment. Of China's many problems of social unrest, one that has done most damage to its global image and soft power is its inability to reconcile with its ethnic minorities in Tibet. While many of the above factors are also the reasons behind the ethnic unrest, they have their roots in historic and cultural differences. Post 1949, it has worsened under Communist China's policies regarding demography, language, religion, freedom of expression and exploitation of resources.



“Governments across the world have been notorious in holding over information of their exigencies during war and peace, humanitarian crises — and ethnic disputes, communal riots and regional clashes. The post 1949 regimes in China have been no exception.”

Missing Girls: An Unanswered Question in Chinese Society

**Shachee Agnihotri, M.Phil Research Scholar, Chinese Studies,
Jawaharlal Nehru University**

In the early 1990s, Amartya Sen drew attention of the world towards the 'missing girls' of the third world [Asia & Africa] by calculating that more than 100 million girls are missing in these continents. It is a notable fact that females have more survival capacity than males and yet, males outnumber females in these societies. There is a vast number of 'future women' who have been either killed before their birth or died because of negligence. For several decades, it has been persisting in society as a 'hidden storm' that is now coming to the surface with disastrous results and causing a kind of social unrest. Today, when we talk about the economy, polity or society of China with a great interest, we often overlook a crucial part of all this- women. It is estimated that there are about 40 million 'missing girls' in China. The objective of this paper is to analyze the background, causes and outcomes of the 'missing girls crisis' and the Chinese government's attitude towards this uproar.

The concept of 'missing girls' in Chinese society has its roots in the environment—Confucian order of social relations against the backdrop of a predominantly agricultural socio-economic milieu—that has nurtured it. These traditional factors push up the female deficit in sex ratios across the country, creating a crisis that is nourished by customary preferences for a son rather than a daughter. Factors such as gender-discrimination and negligence, One Child Policy and sex-selective abortion have nourished it. The problem of the 'missing girls' has caused a kind of social-unrest in terms of sex-imbalance, surplus male population, increasing number of HIV cases, crimes against women due to women scarcity—kidnapping, rape, trafficking, forced marriage and negative effect on the growth of population as well as on the economy.



“Today when we talk about the economy, polity or society of China with a great interest, we often overlook a crucial part of all this- women. It is estimated that there are about 40 million ‘missing girls’ in China.”

VALEDICTORY ADDRESS

Gautam Bambawale, Jt. Secretary, East Asia, Ministry of External Affairs



Understanding China is critical for India, not only because of its comprehensive national power (CNP), but because it is India's largest neighbor, with which the country shares a long border and an equally long history of social and economic linkages. From the point of view of the issues discussed at the Conference, two key aspects stand out—the state of Chinese domestic politics in light of the imminent leadership transition and its possible impact on Indo-China relations as they stand today.

In order to assess this, one must understand that there is collective decision-making within the echelons of the Communist Party (CCP) on issues that are important to the country. In the current run-up to the 18th National Party Congress, while conventional wisdom points to Xi Jinping and Li Keqiang as the successors to Hu Jintao and Wen Jiabao, certain other candidates of importance are on the political scene as well. Not only have these candidates borne their part in domestic politics, but they reflect the factionalism of the Party, exposed earlier this year by the sensational ouster of Bo Xilai. The fluid state of Party politics at this time is highlighted still more starkly by the information flows that exist on Chinese social networks and blogs, in spite of heavy state censorship. Further, the incoming generation of Party leaders lacks the kind of successive legitimacy that may be seen in leaders from Mao Tse-Tung to Hu Jintao.

How will this leadership transition, with all its flaws, affect Indo-China relations? The answer to this question must be seen in light of the progressive trends made in bilateral relations this year. While there is some debate on the role the current American "pivot" to Asia may play in Indo-Chinese relations, the Indian government remains firm on the point that bilateral relations cannot be viewed through the prism of a third country. While India will walk the tightrope of balancing both the United States and China, it will also work towards enhancing and protecting its own national interests. Bilateral relations, particularly in East and South-East Asia, are a key component of its foreign policy towards the Asian subcontinent and must be seen independent of critical hotspot issues such as the South China Sea.

In the light of these factors, it would certainly be interesting to know how the incoming Party leadership will tackle the question of India-China relations. For itself, India will ensure that it maintains a peaceful role on the global stage, while working to maintain friendly rapport with Beijing.

“From the point of view of the issues discussed at the Conference, two key aspects stand out—the state of Chinese domestic politics in the light of the imminent leadership transition and its possible impact on Indo-China relations as they stand today.”