

RATIONAL CHOICES IN SINO-INDIAN BORDER DISPUTE IN AKSAI CHIN

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Abstrak

Penelitian ini bertujuan untuk menjelaskan strategi yang diambil oleh dua negara besar di kawasan, Cina dan India, dalam mengatasi sengketa perbatasan di wilayah Aksai Chin. Dengan menggunakan teori pilihan rasional untuk menjelaskan perilaku India dan Cina serta alasan mengapa keduanya memilih menggunakan strategi non-konfrontatif. Metodologi penelitian yang digunakan adalah kualitatif dengan model studi kasus untuk menganalisa kebijakan kedua negara. Hasil penelitian menemukan bahwa meskipun berbeda pandangan terkait Aksai Chin, kedua negara sama-sama membangun kepercayaan dan berkomitmen bahwa sengketa perbatasan tidak akan mempengaruhi hubungan bilateral keduanya secara keseluruhan. India dan Cina memilih strategi untuk mengoptimalkan kedua negara memilih untuk mengambil kebijakan non-konfrontatif dalam sengketa perbatasan di Aksai Chin sebagai sebuah pilihan rasional pada masa krisis yang didasarkan pada keuntungan optimal yang dapat diperoleh oleh kedua negara.

Kata Kunci: Aksai Chin, India-Cina, kebijakan non-konfrontatif, pilihan rasional, sengketa perbatasan

Abstract

This study aims to explain the strategies taken by two major countries in the region, China and India, in overcoming border disputes in the Aksai Chin region. By using rational choice theory to explain the behavior of India and China and the reasons why they choose to use non-confrontational strategies. The research methodology used is qualitative with a case study model to analyze the policies of the two countries. The results of the study found that despite different views regarding Aksai Chin, the two countries both built trust and were committed that the border dispute would not affect their bilateral relationship as a whole. India and China have opted for a strategy of optimizing mutual benefits over purely national interests. It can be concluded that the two countries chose to take a non-confrontational policy in the border dispute in Aksai Chin as a rational choice in times of crisis based on the optimal benefits that can be obtained by both countries.

Keywords: Aksai Chin, border dispute, India-China, non-confrontational policy, rational choice

Introduction

For the first time in more than 50 years, the feud between Indian and Chinese governments over the border area in Aksai Chin escalated in 2020 and caused casualties of at least 20 Indian and Chinese militaries (Griffiths, Gupta, Westcott, & Picheta, 2020). Although the dispute over ownership of the Aksai Chin indicates the Sino-Indian relationship, both countries have always avoided open conflict. China and India resolved the Aksai Chin border dispute through diplomacy, including military diplomacy. Indeed, such a strategy is not an option that provides maximum benefits for each country's national interest. However, India and China seek an agreement to maximize mutual benefits for both countries.

The history of determining the boundaries of India and China, which included the Aksai Chin region, began in 1865 when this area became a bone of contention between Britain, France, and Russia. At that time, W.H. Johnson proposed the line, yet it remains problematic (Guruswamy, 2003: 4101-4103). Aksai Chin is an area that India claims as part of the Ladakh region, while for China, this area is part of the autonomous province of Xinjiang Uyghur. The feud between the two countries increasingly heated, especially after the Chinese government constructed a road in the border area in 1957. Prime Minister Jawaharlal Nehru continued to discuss the border with Prime Minister Zhou Enlai. In that discussion, China insisted on claiming Aksai Chin as part of China's territory. The road construction in this border area and the Tibetan uprising that caused the Dalai Lama to flee to India eventually sparked the Sino-Indian War in 1962 (Garver, 2006: 86-125).

China won the Sino-Indian war, which gave the Chinese government the right to control the Aksai Chin region. The war also resulted in a temporary demarcation of the Line of Actual Control (LAC), which has become the *de facto* border. Despite the defeat in the war, India continues to claim Aksai Chin as part of its territory. After the 1962 war, border disputes continued. The LAC resulting from the war has yet become an official demarcation line recognized by the two countries, mainly India. Both countries embarked on the negotiation on the post-war borderline in 1981 to resolve the issue (Bhonsale, 2018: 1-3). They then agreed to seek security and stability in the border area jointly.

After the post-war borderline negotiation, the Indian and Chinese governments sought confidence-building measures (CBMs) to maintain their bilateral relations. As a result, both countries agreed to ensure that the border dispute should not affect their relationships. In 1996, India and China agreed with a ban on military force in the LAC area and put efforts to maintain stability in the border area. Through this agreement, the two countries sought to avoid military activities in the border area that could potentially result in casualties. However, despite agreeing on an agreement that aims to reduce border tension and maintain bilateral relations, the dispute over the Aksai Chin continues. China maintains its control in the Aksai Chin region while India claims the territory repeatedly.

Therefore, this article tries to analyze the strategies of India and China in the Aksai Chin territorial dispute to gain not only advantages but also mutual benefits and how both countries perceive their strategies as the best option in seeking the most optimal results in their bilateral relationships. Furthermore, this article exerts to answer the question of why China chose to exercise a limited control and not full control over the Aksai Chin even though the country had won the Sino-Indian war, while India chose to make a claim that tends to be passive rather than aggressive or involving their strategic ally in resolving the border dispute.

The authors conduct a qualitative methodology and case studies approach as a research design. Further, this research applies rational choice theory in the decision-making process, particularly in times of crisis, to answer why China and India took the strategy they use today. To explain the Chinese and Indian governments' choices, this article is divided into several parts, starting from the historical background of the Aksai Chin border dispute, the dynamics of the Sino-Indian relationship and the involvement of external countries. This article also elaborates the application of rational choice theory in crises to explain India's and China's behavior on Aksai Chin border dispute and eventually closes with a conclusion.

The Theory of Rational Choice in Times of Crisis or Conflict

This study employs the theory of rational choice in times of crisis or conflict. The theory is appropriate to describe the current condition of India and China, which are still in prolonged conflict regarding the Aksai Chin border area. However, even though these two neighboring countries are in dispute, they aim to get optimal benefits for both parties. In other words, the maximum national interest is not their primary focus as it might beset the relationship between the two major countries in the region. Therefore, both India and China rationally chose a non-confrontational strategy to enjoy mutual benefits and create stability in the region.

Many sociologists and anthropologists tend to see conflict as part of the interaction between people or groups (Bernard, 1957; Coser, 1956; Dahrendorf, 1958; Simmel, 1964). Likewise, scholars of international relations view conflict due to interactions between states. They perceive the state as a political entity consisting of human beings who are members of various community groups. Nevertheless, the explanation of conflicts in international relations includes more complex variables. Waltz, for example, describes the international conflict in three different faces. They are caused by human nature and behavior, the state's internal structure, and the anarchical international system (Waltz, 1954).

Following what Waltz has mentioned about conflicts, Winham explained that a crisis in international relations can develop "in situations ranging from a fundamental military challenge to the balance of power to an insignificant border dispute that escalates into a major confrontation." (Winham, 1988: 5) Of the many crises and conflicts in international relations, the territorial border dispute between neighboring states is somewhat, as John Andrews noted, "less bloody conflict but still dangerous." Such a statement is true to explain the case between India and Pakistan in Kashmir, India and China in Aksai Chin, and the Pacific region regarding the maritime and territorial disputes that intertwine China, Japan, the Philippines, Malaysia, Vietnam, and Brunei (Andrews, 2015). A border dispute is a fierce issue related to controlling the existing economic production resources in the region involving two aspects, namely disputes about how to determine the boundary line that separates two or more countries and who has the right to control an adjacent area (Goldstein & W Pevehouse, 2014).

According to Snyder, crises have always been the central issue of international politics. In a crisis, a number of elements include power configuration, interests, images, and alignment to be activated (Snyder & Diesing, 2015: 7). Such a condition further includes bargaining, negotiations, force, the threat to use force, values, perceptions, the use or non-use of international law and organizations, diplomacy, and decision making. Nonetheless, decisionmaking in a crisis is undoubtedly different from normal times. In a crisis where force and the threat to use force are operated, foresight in decision-making is crucial. As International Relations scholars explain, state leaders' decisions become of the utmost importance, especially when dealing and interacting with other countries in a critical or conflict situation. Accordingly, it is vital to be decisive deliberately as such decisions affect the achievement of a country's national interests. Therefore, the decision-makers, especially those concerned with foreign policy, are expected to choose the right decisions during crises by considering the domestic situation and national interests, coupled with the dynamics of the international system (Dougherty & Pfaltzgraff, 2001: 458).

As Allison elucidated that foreign policy-making is generally based on the logical and rational decisions by the fellow head states to achieve the national interest. Therefore, in crises situation, rationality becomes essential for policymakers in perceiving the varied alternatives. Indeed, state leaders need to calculate all decisions, consider the pros and cons, including the advantages and disadvantages (Allison & Zelikow, 1971: 4-5). Having that in mind, the rational actor model is considered a decision-making model that is advantageous for numerous countries. Nonetheless, the primary decision-making involving relationships with other countries during crises or conflicts is more complex. In this situation, the heads of state are not fathoming the motive of other countries' decisions, and most of them would have measured other countries' behavior (Allison & Zelikow, 1971: 29-30).

Regarding perceptions of other countries' behavior, Jervis explained how decisionmakers define situations using their cognition and perceptions of other actors during crises. Therefore, they must lead to action that has necessary implications for distinguishing such choices (Jervis, 1976: 66-76). However, crises bring in difficulties for policy makers to make decisions. There are at least two difficulties, such as: (1) a trouble in considering consequences in the future and in calculating results, and (2) an inclination to choose for thought as it were limited extend of alternatives. In such a situation, Wiegele, Hilton, Oots, and Kiesell recommend communication between opposition decision-makers at the highest level in many crises. Statements from the conflicting leaders contain symbols and nuances that convey their opposition and inevitably induce perceptions (Wiegele et al., 1985). Therefore, managing such a positive perception certainly needs continuous dialogues to build mutual trust.

Methodology

This study utilizes a qualitative methodology with a case study approach to understand in detail the background and reasons for choosing the decision taken by India and China in overcoming border disputes in Aksai Chin (Neuman, 2014: 331). The authors choose to employ the case study approach since it allows them to make a detailed and in-depth analysis by resorting to a large amount of information from the Aksai Chin case (Creswell, 2007: 92-

93).With such an approach, researchers can collect data related to China's limited control actions and India's passive claims and subsequently analyze the interactions between the two countries and the possible impact of each chosen policy or action.

To answer the problem in this study, researchers used secondary data derived from reading materials in journals, books, scientific publications, and other published archives. Researchers also use data in agreements or treaties between the two countries related to border disputes in the Aksai Chin region. These data are useful to provide a clear understanding of the case. In addition, research data and information are obtained from various sources, notably from printed and electronic news. Data collection was carried out systematically with the following stages: researchers collected data from various documents and audio-visuals. Researchers then arranged and classified the collected data and information based on the structure made by the authors earlier.

In addition to data collection, validation in qualitative research is a way for researchers to check the accuracy of findings through a series of procedures. Validation is based on research results that have accuracy and certainty from researchers, participants, and readers (Creswell, 2009: 190-191). In this regard, the researchers used triangulation procedures. By triangulating data from various sources, the accuracy and credibility of the findings will increase. The authors also examined each data source to find evidence supporting the research theme. This research has accuracy and credibility by checking the collaborative data (Creswell, 2015: 258-259). This procedure helped the researchers check for accuracy, especially by looking for similar information from other sources. Further, data that has similar information is collected and analyzed so that the authors may find similarities and differences in the collected data.

Result and Discussion

Historical Background of The Aksai Chin Dispute

Many literatures describe border disputes between India and China, explaining the background of the dispute, especially in Aksai Chin, and analyze the case from various perspectives. Such a point of view provides the best solution for the dispute. Karan argues that the smooth function of an international border depends on the political situation, the behavior of the states, and the policies of each conflicting party (Karan, 1960). Karan noted that a

political change in India's northern border region (Himalayan Frontier) caused friction, straining relations between India and China. In addition, China's claim to Indian territory and the restrictions on travel and trade routes executed by the Chinese government exaggerated India's friction (Karan, 1960: 16-21).

Liu Xuecheng looks at this problem by describing the history of the McMahon demarcation line that occurred before the change of power from Britain to India (Xuecheng, 2011). However, China rejected the line and this rejection resulted in unclear status of the border area in Aksai Chin. The aggressive attitude of the newly independent India when annexing the territory around the border and ignoring China's protest against the annexation increased the tussle between India and China over the ownership of this territory until now (Maxwell, 2011: 71-82).

The dispute between India and China on the Aksai Chin border is attractive due to the long-running and unfinished efforts to resolve the dispute and involves two major powers in the Indo-Pacific region. Swaran Singh noted how the Sino-Indian relationship would significantly affect the region's future, especially economic and trade cooperation (Singh, 2008). The syndrome of two big countries in the region that borders and has border problems is colored with mutual suspicion (Yuan, 2007: 131-144). Disharmonious relations between these two great countries will certainly cause instability in the region. However, if these two can build a strategic partnership and constructive relationship, the Indo-Pacific region will benefit economically and insecurity.

Indeed, the territorial border dispute in Aksai Chin between India and China has heated ever since the 1914 Simla Convention. The representatives of the United Kingdom attended the convention as they reigned over India with the governor from Tibet and representatives from China to discuss the agreement regarding the McMahon border as a demarcation in the West India-Tibet. Such a border included Arunachal Pradesh under India's authority. The Indian side deliberately agreed that the McMahon border had become an adequate territorial border in the convention. Unfortunately, the Chinese declined the offer even though Tibet concurred with the McMahon border agreement (van Eekelen, 1967: 179-184).

The Simla convention was then followed by numerous dialogues to exchange views concerning the demarcation of territory between India and China. However, they kept ending up in failure. Therefore, to justify their views on defending their territory, India established a new principle known as the 'Forward Policy' in 1961. India occupied the claimed areas by constructing military posts and patrols. On the other hand, China also launched 'Territorial Occupation' to maintain the claimed areas (van der Mey, 1994: 190-192). The aggressive mutual strategies toward the claimed area created the clash between the Indian and Chinese military to occur more often. Towards the end of 1962, the bilateral relationship between the two countries -India and China- was exacerbated. The friction of military power in the border territorial and the communication between heated countries caused a war. The Chinese government reacted by taking advantage of the military to reign over Aksai Chin and Arunachal Pradesh (van der Mey, 1994: 192). China retrieved Aksai Chin as a part of Tibet since China had won the war. However, even though China had reigned, India claimed the area as their territory and proclaimed it to be a part of Ladakh (Chauhan, 2020: 182).

The process of the solution to finally cease the territorial dispute was first attempted through mediation, which included six other countries from the Non-Aligned Movement: Sri Lanka, Myanmar, Indonesia, Cambodia, United Arab Emirates, and Ghana, through the Colombo conference held in 10–12 December 1962 (Ranjan, 2016: 106-107). The conference yielded a ceasefire proposal from both countries and developed a demilitarization zone that both countries would preserve. Moreover, the two countries would have to make serious efforts to consult the case bilaterally, at the level of the vice-minister. They also established the Joint Working Group (JWG) and conducted exclusive meetings with both countries' security advisors. Furthermore, both governments continued to discuss and negotiate the agreement to hinder conflict and create stability in the border areas in other bilateral meetings vis-à-vis.

After the 1962 war, the India-China dispute underwent a stagnant phase for roughly 20 years. The bilateral relation concerning the Aksai Chai territory issue had only begun again in 1981 when the Chinese Minister of Foreign Affairs, Huang Hua, visited New Delhi, India. The two countries concurred to start discussing the territorial dispute in continuous annual meetings again until 1988–the eminent visits of the officials from both countries ended with another visit of the Indian Prime Minister, Rajiv Gandhi, to Beijing in 1988. The series of visits and meetings of the Chinese and Indian high officials resulted in an agreement to establish the joint working group (JWG), consisting of the adjoined military and experts to

deliberate about the issues and find solutions to put the dispute to an end (Prasad & Rao, 2016: 284).

After establishing the JWG between India and China, the two governments held at least 14 meetings and ten discussions as confidence-building measures (CBMs) to develop mutual trust from 1989 to 2003. Indeed, such measures are necessary to maintain security and stability around the borders area. The CMBs' were taken into account from the agreements that both countries had granted from 1993 to 2013. Throughout the numerous agreements, both countries made efforts to uphold their agreement's principles for security in the territorial borders while maintaining a stable and peaceful relationship with one another (Singh, 2008: 89).

Sino-Indian Dynamic Relationships and The External Power's Involvement

The Indian and Chinese governments attempted to handle the disparate viewpoints relating to the territorial dispute as both countries were aware of a more significance and the importance of economic benefits and military cooperation. Therefore, the economic field cooperation between India and China becomes crucial for both countries in policy-making apropos of the two countries' bilateral relationship. In addition, the military power comparison that India and China own also becomes an essential aspect that the two countries should consider in determining policy strategies regarding the border area issues in Aksai Chin. The military power of both countries can be measured by their financial ability to supply the military logistics up to the personnel power.

The economic relationship between the two countries had started when China executed the Open-Door Policy under Deng Xiaoping in 1978 (Howell, 1991: 119). Both countries began to work on tobacco export-import transactions from thereon, which later flourished in other industrial sectors (Taneja, 2020: 291). The economic liberalization that the two countries were establishing opened an economic relationship that kept growing until now. From 1999 to 2004, the trade value of both countries had increased from \$1,9 million to \$13 million. The trade value between India and China did not end and had escalated to \$100 million by 2010 (Athwal, 2008: 87). The economic growth in India, which increases continuously, especially in the industrial sectors, also improves the essential needs of equipment and industrial raw materials. China, capable of supplying industrial equipment substantially and at an

economical price, became India's leading partner in fulfilling the demands of industries. India, however, keeps exporting raw and semi-finished materials to China. The export-import value of both countries carries on, even though China dominates the balance of trade of both countries more (Taneja, 2020: 292-294).

India's and China's economic cooperation also develops in the investment sector. Besides perceiving India as a market for various products, enterprises in China, such as Oppo, Xiaomi, and Vivo, collaborate with the Indian entrepreneur in manufacturing electronics assembly factories. Chinese corporations provide most of the components. The Exim Bank of China has also become one of the financiers with low-interest rates for emerging Indian companies. Although it is not the biggest investor to India, China's investment value to India had increased to \$34.91 billion by 2021 (Scissors, 2021), as described below.





Source: https://www.aei.org/china-global-investment-tracker/

Notwithstanding, the ratio of the military power that both countries own also impacts their bilateral relationship in the Aksai Chin border dispute. What distinguishes India from China can be seen in their military budget. China provided significantly 1,27 trillion yuan (197,3 million American dollars) for funding in the 2021 military sector (Funaiole & Hart, 2021), whereas India, in 2021, allocates precisely 63,75 million American dollars (PRS Legislative Research 2021). The Chinese government uses twice as much budget as India,

along with the country's robust economy. Not only is the military budget, but the Chinese government is also increasing the production of their domestic arms industry (Mastro & Tarapore, 2020: 241-243).

The contrast between the two countries' power is also apparent in other aspects, such as the number of military personnel -armies, marines, and air forces- and nuclear powers. The military personnel of the two countries are both active and reserved military forces that can be exercised in war (GlobalFirePower, 2021). Even though India's military power looks punier than China's, Indian armies are noteworthy as they have a large artillery number in case of border conflicts in the Aksai Chin region.

The Chinese military is also superior to India in terms of military organizational structure. The chain of command owned by the Chinese military is much more centralized and coordinated. Hence, the regulation of military strategy in war can be channeled to personnel who carry out military operations. All military personnel and fleets owned by China on land, sea, and air are coordinated in a command center that allows joint operations to complete military operations. The Chinese military continues to modernize and develop capabilities in Command, Control, Computer, Communication, Intelligence, Surveillance and Reconnaissance (C4ISR), which aims to increase the capability of distributing information and command in the era of modern warfare (Mastro & Tarapore, 2020: 244).

On the other hand, India has a separate chain of command between the army, air forces, and navy, so its military operation lacks intelligence and information (Mastro & Tarapore, 2020: 244-245). As a result, India's surveillance and reconnaissance capabilities are still finite compared to China. Even though the military policy strategy of both countries has the same focus on maintaining territorial sovereignty, the difference in military strength also influences the two countries' policy strategies in the process of resolving border disputes in Aksai Chin.

Nevertheless, the resolution process of the Aksai Chin borders dispute between India and China was not simply making agreements between the two of them. The involvement of other countries, either directly or indirectly, also influenced decision-making policy related to border disputes. Pakistan and the United States of America were the two countries that can be said to have had the most impact on the process.

The relationship between Pakistan and China can affect how India determines the strategy regarding the border dispute with China. India has a history of poor bilateral relations

with Pakistan. The main issue in the conflict between India and Pakistan since the two countries became independent in 1947 was Kashmir. On the contrary, the relationship between China and Pakistan has a pretty good history. The two countries have been collaborating since 1949. In addition, Pakistan supported the Chinese sovereignty as a country and vice versa, especially when Eastern Pakistan wanted to dissociate itself from Pakistan in 1971 (Javaid & Akhatar, 2017: 201). The relationship between the two countries based on the non-intervention policy kept developing through cooperation to retrieve their common interests.

With such a strategic partnership, the Indian government needs allies to balance its power with China. The United States (U.S.) became India's partner that started developing when India was in the middle of a monetary crisis in 1991. As a result, it altered its economic policy to be more market-friendly by reducing tariffs and loosening existing market regulations. The strategic partnership between India and the U.S. began in the era of President Bill Clinton and continued until the era of President Bush. Some policies subsequently proved their strategic partnerships, such as India's readiness to support America's missile defense proposal and General Henry Shelton's visit to India in making the defense cooperation and the Defence Policy Group with India.

When Al Qaeda attacked America on September 11, 2001, the relationship between the US and India strengthened. India subsequently offered its full cooperation and support to the US in fighting terrorism. In response, the American government lifted nuclear sanctions that have been imposed on India since 1998. The U.S.-India bilateral relationship grows with high-level meetings to enhance social, economic, law enforcement, and military cooperation. Their ties are further enhanced through strategic cooperation as outlined in the Next Steps Strategic Partnership (NSPP) in 2004. With this NSSP, the U.S.-India bilateral relationship expanded by undertaking cooperation based on non-military nuclear activities, civil space programs, and high-tech trading (Guihong, 2005: 278).

Such strategic cooperation between the U.S. and India allows India to deal with the China and Pakistan bilateral relations. Moreover, with financial aid and military support from the U.S., the Indian economic and military capability will continue to advance. On top of that, they have the common goal of counterbalancing the growing influence of China's power in the South Asian region (Guihong, 2005: 288-290).

Rational Choices in India's Passive Claim and China's Limited Control

As explained above, India and China executed their strategy deriving from rational calculations to obtain optimal results from existing disputes while maintaining their win-win bilateral relationship. The wide choice of both countries generates a strategy combination that determines the results. China, which obtained authority to take over the Aksai Chin region in 1962, chose to carry out a limited control strategy by agreeing to the treaties regarding the border dispute with India, which can curb its military capability owned by its region. At the same time, India has opted for a policy to keep claiming the Aksai Chin region but passively and continue to maintain bilateral relations with China.

The two countries may carry out other policies in resolving the Aksai Chin border dispute. On the one hand, China can opt to fully control its robust military strength in defending the Aksai Chin region. On the other hand, India can also avenge an aggressive claim by protesting immediately to the Chinese government, similar to what happened in 1959 - the protest of Prime Minister Pandit Jawaharlal Nehru or engage its ally, the U.S., to support its military capacity to confront China.

However, different policies were likely to result in different outcomes as well. If India chooses to be more aggressive to China, the bilateral relationship may extinguish. Moreover, the agreements between the two countries regarding the dispute may not be recognized by both sides. Hence, China can place its military power at the border with its more muscular military strength than India. Accordingly, when a military conflict happens, the number of corpses will escalate.

In such a situation, rationality becomes essential, particularly for India, in deciding the right policy. Based on the previous explanation, China's financial mightiness, military capacity, and chain of command are superior to India's. Therefore, if India forces itself to be aggressive in attacking China, the two countries are heading to a higher escalation of tensions and an open war. With its economic and military power, China will surpass India. Therefore, even though they both suffer losses, India might experience more loss. India has lost in the 1962 War, and if it suffers defeat again, India might fail to keep the Aksai Chin territory completely.

India might involve its strategic partner and valued ally, the U.S., to confront China. However, the US is likely to refuse since high economic ties between the U.S. and China. The US strategic cooperation with India was relatively new. It was increasing along with the threat of terrorism and the increasing influence of China in the South Asian region. However, it lacks to force the US willing to engage in an open war with China on the Aksai Chin border. It means that India still has to face China itself in the dispute.

With the bilateral relations between the two countries heating up, China will likely shift the previous economic cooperation with India to other countries in South Asia. As abovementioned, India is China's strategic partner in investment and economic cooperation. Although the value of China's investment in India is not the largest one, China's investment in India has reached U.S.\$ 34.91 billion from 2005 to 2021. China's investment is mainly in energy, metals, and technology (Scissors, 2021). If India and China had an open conflict, it might happen that China would stop its investment and move it to Pakistan.

Pakistan, particularly, which has a trusting economic cooperation with China, will retrieve an investment that should have gone to India from China. Such an investment then will cause an increase in its economic growth, which eventually increases Pakistan's capability to enhance its military power. Not to mention, China will also fully support Pakistan in its border dispute with India in Kashmir. Therefore, by choosing the aggressive strategy policy for the border dispute with China, India will experience much more drawbacks compared to the benefits that it will receive. On the contrary, by maintaining bilateral relations with China, India will benefit from economic cooperation, increasing its economic growth and military capacity. Therefore, with a good relationship between India and China, the possibility for China to fully support Pakistan in the border dispute in Kashmir is supposed to reduce.

However, if China chooses to use its military strength to secure the Aksai Chin territorial, disregarding its agreement on the issue of overlapping claims with India, it may backfire on China. The full use of its military strength might increase the chances of a military conflict between both countries along the border. Consequently, the bilateral relationship with India will continue to heat up and may even stall. China might lose its trading partners and sizeable markets as India is a large country with around 1.4 billion population and will have a demographic bonus for decades to come. Moreover, India's economic growth makes the country worthy of reckoning in the global economy. India is one of the countries with industry and technology that continues to grow and is the fourth-largest oil importer globally (Afrianto,

2022). Such a condition makes India a significant influence on global economic growth, including China.

Furthermore, military force may reshape other countries' perspectives on China. China's good image that has been built through its diplomacy with other countries may deteriorate due to the use of military. Some countries with good relationships with India, such as the United Kingdom and America, may side with India's perspective and claim on Aksai Chin. This situation is likely to influence China's relationship with other countries, mainly countries with a close relationship with India. China which is recently trying to construct its trade route through the Belt and Road Initiative will experience obstacles, if diplomatic problems exist with its partner countries.

The combination of policies -China's limited control and India's passive claims- is relatively well-grounded not only for the Aksai Chin region but also for both parties' interests. Although India and China have different political systems and ideologies, globalization has made their economic interdependence relatively more important. The increasing number of visits between the Indian and Chinese leaders since 2015 has performed their political willingness for better relations. Not to mention agreements in various sectors and business memorandum of understandings that the two governments and entrepreneurs have made.

The two countries might have equipped maximum results for their respective national interests by choosing other strategies. However, the combination of limited control and passive claims can provide optimum results (Fujiwara-Greve, 2015: 23-26). We can say that the current strategic policy carried out by both countries results in a win-win situation. The two countries still can fight for their territorial authority yet retrieve economic benefits from their developed bilateral relationship. Therefore, such a strategic combination of passive claim and limited control will continue–embraced by both countries–as long as the conjoined strategy can provide optimum results for both. The other strategies where one or two countries alter the policy may not give optimum results for both; therefore, they will have to proceed with their passive claim and limited control strategic policy.

Conclusion

India and China are two gigantic countries within an adjacent area and have an intriguing dynamic relationship. On one side, both countries have an unfinished border dispute in the Aksai Chin region even today. Nevertheless, on the contrary, both countries depend on one another economically and politically. Such an inter-dependence makes the two countries bold in their strategy, which does not provide maximum benefits for their national interest *per se*. Nonetheless, regarding the Aksai Chin border issue, China's plan to execute the limited control policy and India's plan with passive claim become the best choice that can provide optimum benefits to both sides.

Three aspects determine the decision of both countries: 1) The economic interdependence relationship that facilitates one another, even until today; 2) China's demand for having a trusting relationship with its neighbours countries, including India, on creating a positive perspective for investment essentials in numerous partner countries; and 3) The presence of foreign countries, especially the U.S. and Pakistan, who supported India and China, restrain themselves from taking aggressive actions in settling their decisions regarding Aksai Chin.

India and China might not have their maximum national interest; however, this matter may hinder military conflict on a large scale, threatening the region's border stability and negative perceptions from foreign countries regarding China's aggressive actions. Strategic cooperation between India and America also becomes separate calculations for the Chinese government in choosing the strategy used in apropos of border disputes with India. On the other hand, India's passive claim strategy made it unable to control the Aksai Chin; however, India might benefit from its bilateral cooperation with China. Collaboration with China is also needed by India while in conflict with Pakistan. In this case, we can conclude that both countries chose their strategies rationally by taking the pros and cons into account. Both countries obtain the most optimum benefit from their interactions with other sides when in a crisis or conflict. Both of them will most likely continue to embrace the strategies as there are no other strategies that provide impeccable mutual results.

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