

# The NATIONAL INTEREST FOUNDATION

## Modi and Xi Meet for a Summit Amid Tensions in Kashmir

Indian Prime Minister Narendra Modi and Chinese President Xi Jinping concluded a summit over the weekend in the southern Indian coastal town of Mamallapuram. While observers expected the two leaders to focus on the border dispute in Kashmir, the conversations centered around trade, bilateral relations, and religious radicalism. The leaders of the world's two most populous nations set aside their thorny political differences and discussed issues where they were able to find common ground.

The summit between Prime Minister Modi and President Xi came during a period of heightened tensions between the neighboring countries, with China saying India's recent behavior in Kashmir was "unacceptable." China is a long-time supporter of India's archrival Pakistan, and President Xi pledged to help Pakistan defend its "legitimate rights and interests" in the Himalayan region. The Modi-Xi summit was clouded by a meeting the Chinese leader held with Pakistani Prime Minister Imran Khan in Beijing a few days prior, in which the Sino-Pakistani alliance was reaffirmed. In response to this, India's Foreign Ministry issued a statement reiterating the Indian position that the Kashmir situation was an internal matter for India. Instead of focusing on these differences, Modi and Xi discussed topics that their nations shared common ground on, such as economic partnerships, and were able to come to mutually beneficial outcomes.

Bilateral trade between India and China stands at about \$95 billion, and has maintained steady growth in recent years. While this trade has benefited both nations, India has a \$53 billion trade deficit with China, and sought assurances over increased access for its goods in the Chinese market. India primarily exports agricultural products to China, while Beijing sends electronics, electrical equipment, and pharmaceutical products in return. The price discrepancy in these goods, as well as China's non-tariff barriers, has exacerbated India's trade deficit with its neighbor, which Prime Minister Modi is actively trying to address.

President Xi also raised concerns over India growing closer with the United States. India and China are the largest economies in Southeast Asia, and with the trade war between Washington and Beijing showing no signs of slowing down, China is looking for a reliable trading partner in the region. India has the potential to be a strong economic partner for China due to their membership in the Asian Infrastructure Investment Bank and Shanghai Cooperation Organization. China has attempted to win over India's economic loyalty by increasing investment in the Indian market, and investing in Indian infrastructure projects. Prime Minister Modi now faces a dilemma where he must emphasize India's position of economic strength and pursue agreements that are beneficial for his nation, regardless of whom they are with.

The final topic of conversation for Modi and Xi was the rise of religious radicalism in Southeast Asia. India has long accused Pakistan of subtly supporting militant groups within its borders, and Beijing is now concerned over support Pakistan has given to China's Uighur population in Xinjiang province. Although there is a lack of evidence to support it, China theorizes that the Uighur Muslims are radical separatists, and has begun a campaign to "re-educate" them. China accuses Pakistan of harboring extremists near its border with Afghanistan, and alleges that they are providing support to the Uighurs. Although Beijing and Islamabad have traditionally enjoyed close relations, China and India have been able to find common ground over concerns about extremism in Pakistan.

As the two most populous countries in the world, which are also located in a vital geopolitical region, Indo-Sino relations are extremely important for both countries. A partnership between India and China has the ability to be a strong and multifaceted one in which they can both project power internationally. However, the road to a strong partnership is a rocky one, and both parties will need to make sacrifices in order to make ends meet.