

India, China Mend Ties As Tariffs Cloud Outlook

BY SHAN LI
AND CHUN HAN WONG

In a visit to India this week, China's top diplomat said the two Asian nations should deepen cooperation amid international threats to free trade, a sign that President Trump's trade war could accelerate a thaw in the frosty relationship between Beijing and New Delhi.

Both countries have faced hefty tariff threats from Trump over their trade policies, with India singled out in recent weeks for its large-scale purchases of Russian oil.

In remarks in New Delhi on Monday at a meeting with his Indian counterpart, Subrahmanyam Jaishankar, Chinese Foreign Minister Wang Yi made a veiled reference to the U.S. by noting that New Delhi and Beijing should find ways to coexist against a backdrop of "unilateral bullying."

China and India "should view each other as partners and opportunities rather than adversaries or threats," said Wang on Monday, according to China's Foreign Ministry.

In his opening remarks, Jaishankar said the nations are seeking to move ahead after a "difficult period in our relationship."

"Differences must not become disputes, nor competition conflict," he said.

Wang also met with Indian Prime Minister Narendra Modi on Tuesday. In the meeting, Modi said he welcomed the "steady and positive progress" of bilateral ties, which will contribute to regional prosperity, according to India's Foreign Ministry. Modi confirmed he will attend the summit of the Shanghai Cooperation Organization, a security group that includes Russia, in his first visit to China in seven years.

The nuclear-armed neighbors are edging closer to resuming normal bilateral relations after facing their worst

tensions in decades following the 2020 border clash that killed 20 Indian troops and four Chinese soldiers, some analysts said. Both sides in recent years have amassed tens of thousands of troops at their disputed border, while rounds of high-level military talks failed to defuse tensions.

A breakthrough came last October, when the two countries hammered out a patrolling agreement at the border, paving the way for talks between Modi and Chinese leader Xi Jinping in Russia.

In recent months, China has allowed Indian pilgrims to visit holy sites in Tibet, while India has said it would resume issuing tourist visas to Chinese nationals.

Some analysts said the improvement in China-India relations could gain momentum from the trade war kicked off by Trump. The countries recognize they may need to lean on other trade relationships to fend off heavy damage on their economies, some analysts said.

In recent weeks, Trump slapped a 25% tariff on Indian imports and has threatened to double it before the end of the month. That 50% tariff would roughly match the duties that the U.S. levies on many Chinese goods.

Trump "and his actions may have given it a greater sense of urgency than before," said Harsh V. Pant, head of strategic studies at the Observer Research Foundation, a New Delhi think tank. "The Chinese seem to be playing to this idea of 'Look, we are the more reliable partner.'"

The India-China trade relationship, at close to \$130 billion, is roughly the same size as U.S.-India trade. But India buys far more from China than it does from the U.S.

India remains deeply invested in the U.S. partnership, an Indian official said, and hopes to work out trade differences.