

SINO-INDIAN RELATIONS

I. ~~Prime Minister~~ Nehru's two week visit to Peiping beginning 16 October raises the question of the future of Sino-Indian relations. The trip appears to be a courtesy visit following Chou En-lai's visit to New Delhi in June.

II. As it did in late 1953 prior to the negotiation of the Sino-Indian Treaty on Tibet, China reportedly has submitted a brief of subjects on which it desires agreement, 25X1A6a

A. The brief, which appears to be China's maximum bargaining position, includes the following points:

1. Consideration of early defensive alliance under which China prepared accept Burma and Nepal within Indian sphere of influence while India recognizes Chinese rights over both Formosa and Hong Kong.
2. More direct relations between China and Ladakh, a province in Kashmir, and the states of Sikkim and Bhutan.

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3. Rights to Tibetans and Chinese to trade without Indian restriction in Ladakh, Sikkim and Bhutan.
4. Establishment of diplomatic relations between China and Nepal.
5. Early regularization of India-Tibet-China trade.
6. Settlement of boundaries of Tibet which border on India, Ladakh, Nepal, Sikkim, Bhutan.
7. Cessation of Indian pressure on China regarding internal autonomy Tibet.

B. Nehru may feel constrained to discuss most of these subjects in Peiping.

III. India is likely to agree to following:

A. Chinese diplomatic relations with Nepal.

1. This has been under consideration for long time.

May be worked out on basis Chinese and Nepalese ambassadors to India, now stationed in New Delhi, would be accredited Nepal and China respectively.

B. Minor trade matters not covered by the Indo-Chinese

trade agreement expected to be signed in New Delhi before
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Nehru's departure.

- IV. India unlikely to agree to border changes without further discussion.
- V. India unlikely to agree to non-aggression pact.
 - A. Nehru considers the preamble to the Sino-Indian Treaty on Tibet an adequate declaration of the peaceful intentions of both countries.
 - B. Most reports suggest Nehru has no desire to counter the Manila Pact with a formal association with China and other Asian countries.
 - C. A treaty with China could be interpreted as shift to left in India's orientation, something Nehru would want to avoid. He is sensitive on the question of neutrality.
 - D. Nehru is unlikely to enter into agreement until China's intentions in Southeast Asia become clarified.
 - 1. Nehru has expressed perturbation over Chinese shelling of Quemoy.

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2. China has not yet acted on the dual citizenship of its nationals abroad as was promised by Chou En-lai.

E. For reasons of personal pride, Nehru would not want it to appear that talks in Peiping were more productive than those he had with Chou En-lai in New Delhi in late June.

~~NO FORN~~

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