



# The Indian Prime Minister's 2025 Visit to China and India-China Relations

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On August 31, 2025, India's Prime Minister (PM) Narendra Modi traveled to the People's Republic of China (PRC, or China), where he met PRC leader Xi Jinping. The visit—Modi's first to China in seven years—took place as numerous analysts in the United States and India expressed concerns that current U.S. policies (including secondary sanctions on India for ongoing purchases of Russian oil), and remarks made by President Donald Trump and his advisors. have put the two-decades-old U.S.-India partnership at risk. The international press portrayed the Xi-Modi meeting as a rapprochement driven by a common opposition to U.S. policies. Congress for the past two decades has offered broad support for successive administrations' efforts to develop the strategic partnership with India, the world's largest democracy and fifth-largest economy, in part to address China's growing influence in the Indo-Pacific.

### Xi, Modi Signal Willingness to Cooperate

PM Modi met with Xi on August 31 on the sidelines of the annual summit of the Shanghai Cooperation Organization. According to official readouts, Modi and Xi affirmed that India and China are "partners" and not "rivals," and Modi "deemed it necessary to expand common ground." The two each held separate meetings with President Vladimir Putin of Russia, suggesting that the three leaders wish to signal their commitment to a multipolar rather than U.S.-centric order.

India and China together account for more than one-third of the global population and one-fifth of global GDP, and they share millennia-old ties and extensive, if asymmetric, commercial relations. China is a major source of imports for India, which relies on China for electronic goods and consumer durables. Two-way trade reached \$128 billion in 2024, making China India's second-largest trading partner after the United States. The two countries exhibit some mutual dependence: India relies on China for advanced electronics, pharmaceutical ingredients, and rare earths, while Beijing seeks greater access to India's consumer market, and has invested heavily in India's startup ecosystem. The two also coincide in their advocacy for multilateralism and greater international space for developing countries.

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## **Strategic Mistrust**

Bilateral and regional tensions may circumscribe efforts to deepen ties. Delhi has expressed concern that China's rapid economic, technological, and military modernization challenges India's status, especially in the Indian subcontinent and Indian Ocean region. Meanwhile, some PRC observers suspect Washington is courting India to contain China, perceiving challenges in growing U.S.-India security ties and the influence of the Quad—a mechanism bringing together the United States, India, Japan, and Australia.

Relations between India and China deteriorated following skirmishes at their undemarcated border in 2020. Following the clashes, India took measures to curtail economic ties with China, including passing new investment rules and banning 300 PRC mobile applications (including Tik-Tok). Even as they deescalate, both countries appear to have continued shoring up their positions near the disputed border, including in India's Arunachal Pradesh state, which China claims as "South Tibet." PRC support for India's rival, Pakistan—including the latter's use of PRC military hardware in a May 2025 conflict with India—has intensified Indian concerns about China's relationships along India's periphery. Riverine disputes over dams being built by China and differences over the future status of the Dalai Lama persist. Calls for greater economic exchange have run up against India's widening trade deficit with China and trade barriers impacting Indian exports, and India faces considerable disadvantages in state capacity, national wealth, human development, and overall power, including military power.

### A Gradual Rapprochement

During a July visit to Beijing, India's foreign minister remarked that, since October 2024, India-China relations were "gradually moving in a positive direction," and he identified a "fundamental basis for mutual strategic trust." India's moves toward rapprochement with China appear driven in part by a perception that the Trump Administration's trade policies are unfair. PRC leaders likely see India's disappointment with the United States as an opening to strengthen China-India ties and present a united front to Washington. In the run up to the summit, the PRC's ambassador to India voiced China's "firm opposition" to U.S. tariffs on India, elaborating that "China will firmly stand with India to uphold the multilateral trading system."

Delhi and Beijing have worked to stabilize their relationship since 2022. On October 21, 2024, the two sides agreed on patrolling arrangements along their undemarcated border. Two days later, Modi met with Xi for their first meeting since the 2020 clashes, on the sidelines of a multilateral summit in Russia. At the time, Xi expressed his hope that the two sides would see each other as a "development opportunity rather than threat" and "cooperation partner rather than competitor."

Over the course of 2025, meetings between various officials have produced such outcomes as relaxed Indian visa restrictions on PRC nationals, the reopening of sites in China to Indian pilgrims, and an agreement to resume direct flights, which were suspended in 2020. On August 19, representatives from both sides met for talks on boundary issues, which India's readout characterized as "positive, constructive, and forward looking."

#### **Issues Facing Congress**

In considering the current trajectory of U.S.-India relations, and India-China relations, Congress may contemplate the following issues:

Trade Policy. Congress may consider whether, and to what extent, current U.S. trade
policy toward India—including tariffs or potential sanctions related to India's purchases

- on Russian oil—affects Delhi's views of the U.S.-India partnership. Congress may consider whether to bolster or curb presidential authorities related to U.S.-India trade.
- Emerging Technologies. Some analysts have highlighted shared U.S. and Indian concerns over PRC technology as a factor motivating U.S.-India technological cooperation. Given Congress's role in restricting the export of sensitive technologies, it may deliberate the potential benefits and risks of efforts like the TRUST initiative, which are meant to foster U.S.-India cooperation in critical and emerging technologies, particularly if India-China cooperation deepens.
- **Diplomacy.** Congress may conduct oversight (including through hearings) to assess the impact of the Administration's diplomatic approach to India and China, and whether and how that approach reflects congressional foreign policy priorities.

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