

The Prospects and Challenges of Sino-India Cooperation under “the Belt and Road” Initiative ----Based on the Five-Link Index

Feiting Lin

Department of Ocean, Minjiang University, China

feitinglin@163.com

Keywords: “The Belt and Road” Initiative; Sino-India Cooperation; Win-Win Effect; Facilities Connectivity

Abstract: “Policy co-ordination, facilities connectivity, unimpeded trade, financial integration, and people-to-people bonds” are the five major goals of “the Belt and Road” Initiative. By measuring the present situation of cooperation between China and India with the Five-Link index, the lack of infrastructure in India has damaged the facilities connectivity between China and India, and the lack of credit system in India has slowed down the process of financial integration between China and India. Since the Modi government focused on infrastructure construction and the development of manufacturing industry, China and India have a win-win effect under “The Belt and Road” Initiative.

1. INTRODUCTION

“The Belt and Road” Initiative refers to “the Silk Road Economic Belt” and “21st Century Maritime Silk Road”, a significant development strategy launched by the Chinese government with the intention of promoting economic co-operation among countries along the proposed Belt and Road routes. The Initiative has been designed to enhance the orderly free-flow of economic factors and the efficient allocation of resources. It is also intended to further market integration and create a regional economic co-operation framework of benefit to all. “the Silk Road Economic Belt” is divided into North, middle and South three lines, one line through Southeast Asia to South Asia and the India Ocean region, including India; “21st Century Maritime Silk Road” from the coastal areas of Chinese, over the South China Sea to India ocean, and extended to Europe, India is the only country covers by “the Silk Road Economic Belt” and “21st Century Maritime Silk Road”. Secondly, as China's southern neighbors, India is the largest country in the South Asian subcontinent. According to World Bank statistics, India has a population of 1.31 billion, GDP is 2073.54 billion U.S. dollars, the economic growth rate reach to 7.6%, nearly accounting for 25% of total population and 10% of the total economy in the countries along “the Silk Road Economic Belt”. India is the largest country with the biggest population and the biggest economic scale in the countries along “21st Century Maritime Silk Road”, also is the fastest growing economy covers by “the Belt and Road” initiative. China should pay attention to the invite India to join in cooperative development under “the Belt and Road” initiative.

“The Belt and Road” initiative is a systematic project, which should be jointly built through consultation to meet the interests of all, and efforts should be made to integrate the development strategies of the countries along “the Belt and Road” initiative. It is aimed at promoting orderly and free flow of economic factors, highly efficient allocation of resources and deep integration of markets; encouraging the countries along

“the Belt and Road” initiative to achieve economic policy co-ordination and carry out broader and more in-depth regional cooperation of higher standards; and jointly creating an open, inclusive and balanced regional economic cooperation architecture that benefits all. “The Belt and Road” Initiative aims to promote the connectivity of Asian, European and African continents and their adjacent seas, establish and strengthen partnerships among the countries along “the Belt and Road” initiative, set up all-dimensional, multitiered and composite connectivity networks, and realize diversified, independent, balanced and sustainable development in these countries. The connectivity projects of the Initiative will help align and coordinate the development strategies of the countries along “the Belt and Road” initiative, tap market potential in this region, promote investment and consumption, create demands and job opportunities, enhance people-to-people and cultural exchanges, and mutual learning among the peoples of the relevant countries, and enable them to understand, trust and respect each other and live in harmony, peace and prosperity. “Policy co-ordination, facilities connectivity, unimpeded trade, financial integration, and people-to-people bonds” is the five major goals of “the Belt and Road” initiative. The “Five-Link” is to promote the economics' interconnection along “the Belt and Road” initiative, which promotes practical cooperation in all fields, and works to build a community of shared interests, destiny and responsibility featuring mutual political trust, economic integration and cultural inclusiveness.

2. LITERATURE REVIEW

In consideration of Sino-India Cooperation under “the Belt and Road” initiative, the Modi government of India hasn't positively respond to it, then think tanks, media, scholars from China and India have different views, such as Pang Zhongying(2015) has pessimistic attitude on Sino-India cooperation under “the Belt and Road” initiative, he thinks India's “Project Masuam” and “Spice Route” are anti-strategy toward to China's “the

Belt and Road" initiative, India will not establish a strategic partnership with any of its neighboring countries in the foreseeable future, especially China. Tesku singh(2014) also hold a negative attitude on China's "the Belt and Road" initiative, he thinks "the Belt and Road" initiative is China's "tricks" to resolve the "Pearl Chain Strategy", which will help to strengthen the strategy of the China Navy entering and basing itself on the India ocean, and will lead to China's invasion of India's South Asian. Gan Junxian (2015) believes that India based on strategic independence and national security to conflict China's "the Belt and Road" initiative. Gurpreet S. Khurana (2014) believes that if let China's "21st Century Maritime Silk Road" to develop, then China will shape a central structure in the India Ocean region, India will be marginalized. Lin Wangming (2015) believes that India government adopt a "no attitude" stance shows India's fears that China will use "the Belt and Road" initiative to reshaping the Asia Pacific pattern, he proposed that China should enhance each other strategic mutual trust at present, when India had resolved its worries, it will cooperation with China on South Asian Policy. Yang Siling (2015) argues that despite the reserved attitude of India's, choose the reasonable path of cooperation between China and India, Sino-India Cooperation under "the Belt and Road" initiative is possible and feasible. B. R. Deepak (2014) believes that China's "the Belt and Road" initiative provide many opportunities to India, not only conducive to improving the shortage of infrastructure in India, but also can use China's production capacity to build world-class ports, to achieve maritime connectivity between India and ASEAN. Chen Fei (2015) pointed out that China's "the Belt and Road" initiative can be achieved conceptual docking, cultural docking and functional docking with India's "Project Masuam" strategy. Ge Cheng (2015) analyzes the historical issues and current geopolitical conflicts on India to participate in "the Belt and Road" initiative, pointed out that the two countries have common interests in maintain the safety and stability of the surrounding areas, share regional development opportunities and safeguard the safety of the India ocean route. Liu Zuming, Feng Huaixin (2015) take the "Five-links" as the path to proposed some ideas for China and India to cooperation under "the Belt and Road" Initiative by mutual interests oriented.

3. THE CURRENT SITUATION OF SINO-INDIA COOPERATION

The "Five-Link" index is the recording and monitoring index which reflect the dynamic progress of "the Belt and Road" initiative along the country cooperation. The "Five-Link" index based on statistical data will objectively record the performance of "the Belt and Road" initiative, which dynamic reflects the progress of cooperation. Secondly, the "Five-Link" index can clearly reflect the present situation and the insufficiency of china push on "the Belt and Road" initiative with radar map, which contribute to the prospects for future cooperation.

3.1 The current Sino-India economic development situation

India is the second largest country in the world next to china, Since the Modi government came into power in 2014, the goal of economic reform is restructuring and transformation of economic structure, increasing investment in infrastructure construction, developing the manufacturing industry, then the economic growth rate exceeds china becoming the fastest growing country in the world in 2015. India's economic structure is diversified, covering agriculture, handicrafts, textiles and services, as one of the BRICS, although India service industry increase fast in recent years, is one of the important service industry exporting countries such as software services, financial services and so on. However, there are still two-thirds people live on agriculture directly or indirectly, which is a developing country with extremely unbalanced social wealth distribution, with the caste system is more acute.

In terms of import and export trade, China is the largest importer of India. According to statistics from the India business information statistics department and the Ministry of Commerce of the India, the bilateral trade in goods amounted to 69.62 billion U.S. dollars in 2016, of which India exports to China reached 8.96 billion U.S. dollars, the main export products is mineral products(2.38 billion U.S. dollars, an increase of 41.3%), textiles (1.58 billion U.S. dollars down 30.5%) and raw materials and chemical products (1.26 billion U.S. dollars, down 12.6%), base metals and products have dropped considerably, with a drop of 39.6%; India imports from China reached 60.66 billion U.S. dollars, the main import products is mechanical and electrical products (31.66 billion U.S. dollars, an increase of 7.5%), chemical products (9.31 billion U.S. dollars, down 21.6%) and base metals and products (4.34 billion U.S. dollars, down from 18.6%), transportation equipment have increased considerably, with an increase of 47.6%; the trade surplus from China to India is reached 51.69 billion U.S. dollars.

3.2 Sino-India cooperation based on the policy co-ordination index

Policy co-ordination means that countries along "the Belt and Road" initiative will, via consultation on an equal footing, jointly formulate development plans and measures for advancing cross-national or regional co-operation; resolve problems arising from co-operation through consultation; and jointly provide policy support to practical co-operation and large-scale project implementation.

Policy co-ordination is the important guarantee for the construction of "the Belt and Road" initiative, based on the common development strategy, Indian government and Chinese government should construct an actively multi-level communication mechanism for macro policy, through practical cooperation and consultation, provide policy support to solve the cooperation problem, realize the deep integration of mutual interests, and eventually achieve the goal of developing. Policy co-ordination index include three parts: political mutual trust, cooperation mechanism and

political environment. Political mutual trust can be measured by the frequency of high-level communication, partnerships and policy communication; cooperation mechanism can be measured by the number of embassies or consulates in China and the number of bilateral important documents; political environment can be measured by political stability and the corruption index. As shown in figure 1, China and India are both doing well in part of political mutual trust and cooperation mechanisms, especially

Bangladesh-China-India-Myanmar Economic Corridor, proposed by China and India, have strengthened mutual understanding and mutual trust in political mutual trust. However, because of the polarization between the rich and the poor is serious, the social structure is distinct, and the religious caste system conflicts is constantly, India has lower political stability and lower corruption index, ranked 46 in the 63 countries along "the Belt and Road" initiative, seriously restricts the stability and longinquity of Sino-India cooperation.

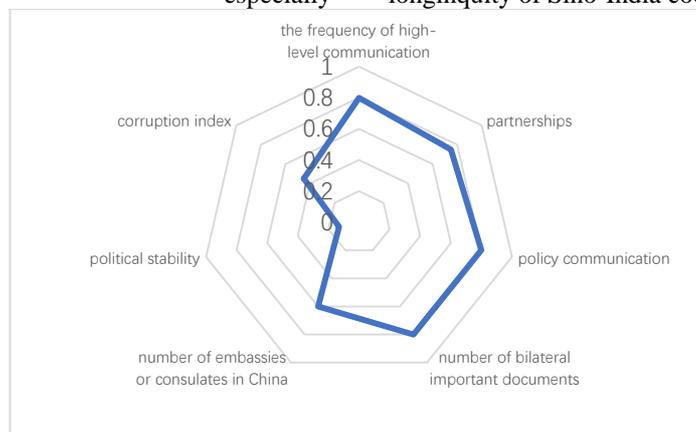


Figure 1: Radar map about Sino-India cooperation on the policy co-ordination index

Source: <http://scie.pku.edu.cn/ydy/>

3.3 Sino-India cooperation based on the facilities connectivity index

Facilities connectivity refers to prioritising areas of construction as part of the Belt and Road strategy. Efforts will be made to give priority to removing barriers in the missing sections and bottleneck areas of core international transportation passages, advancing the construction of port infrastructure facilities, and clearing land-water intermodal transport passages. The connectivity of infrastructure facilities, including railways, highways, air routes, telecommunications, oil and natural gas pipelines and ports, will also be promoted. This will form part of a move to establish an infrastructure network connecting various Asian sub-regions with other parts of Asia, Europe and Africa.

Facilities connectivity is the priority areas for the construction of "the Belt and Road" initiative, such as "blood or meridian". Facilities connectivity offer convenience for cross-border tourism, cross-border electricity supplier, cross-border logistics and other cross-border cooperation, providing a material basis for deepening economic cooperation. It is necessary for Sino-India integrate the manpower, material and

financial resources of both sides, reach a consensus on political positions, technical standards and construction plans and so on to open up the network of facilities. Facilities connectivity index include three parts: transportation facilities, communication facilities and energy facilities. Transportation facilities can be measured by logistics performance index, whether have direct airway route, whether have direct railway route and whether have direct seaway route; communication facilities can be measured by telephone coverage rate and internet penetration rate; energy facilities can be measured by oil transmission capacity, natural gas transmission capacity and power transmission capacity. As shown in figure 2, China and India have not yet connected on railway. Secondly, due to the draggle infrastructure, India's internet penetration rate and telephone penetration rate is also low, ranked 55 in the 63 countries along "the Belt and Road" initiative, Sino-India has not achieved energy delivery system, which will become the important areas of Sino-India cooperation under "the Belt and Road" initiative in the future.

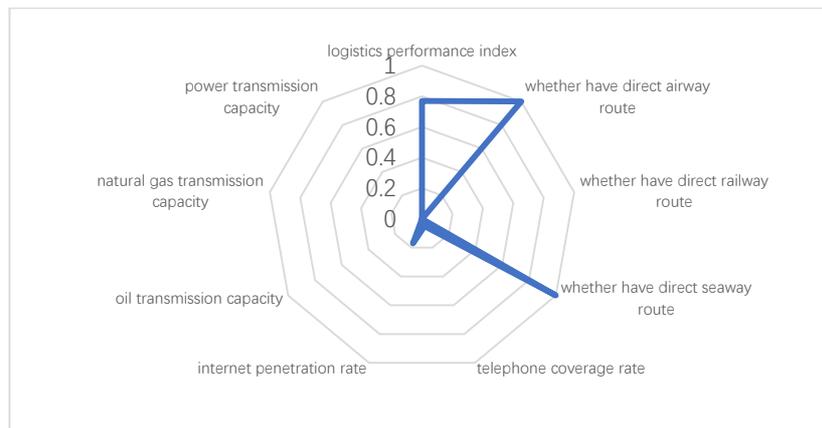


Figure 2: Radar map about Sino-India cooperation on the facilities connectivity index

Source: <http://scie.pku.edu.cn/ydyl/>

3.4 Sino-India cooperation based on the unimpeded trade index

In order to facilitate unimpeded trade, steps will be taken to resolve investment and trade facilitation issues, reduce investment and trade barriers, lower trade and investment costs, as well as to promote regional economic integration. Efforts will also be made to broaden the scope of trade, propel trade development through investment, and strengthen co-operation in the industry chain with all related countries.

Facilitate unimpeded is the key for the construction of "the Belt and Road" initiative, the degree of facilitate unimpeded reflects the level of investment and trade cooperation development between the two countries. With the factors of production such as capital, technology, talent and information free flow and optimal allocation in the worldwide, China and India should focus on promoting investment and trade facilitation under "the Belt and Road" initiative, eliminate the barriers of investment and trade, building a good business environment, promoting economic factors orderly and freely flow in the region, efficient allocation of resources, and the market deep integration, build an

open, inclusive, balanced and inclusive regional economic cooperation framework together, and lay a solid foundation for mutual benefit and common development.

Facilitate unimpeded index include three parts: level of openness, level of investment and business environment. Level of openness can be measured by level of tariff, non-tariff barrier, trade conditions index and volume of bilateral trade; level of investment can be measured by bilateral investment agreements, China's FDI to India and India's FDI to china; business environment can be measured by the freedom of cross-border trade and commercial regulation. As shown in figure 3, Sino-India cooperation on investment and trade is pass through but not unimpeded. In particular, as the volume of Sino-India trade continues to expand, trade frictions between China and India are increasing year by year, especially after the 2008 financial crisis, China has become the main target of trade protection in India, India use non-tariff measures such as trade remedy investigation, import restrictions and import tax to make trade friction, seriously restrict the normal development of bilateral trade.



Figure 3: Radar map about Sino-India cooperation on the facilitate unimpeded index

Source: <http://scie.pku.edu.cn/ydyl/>

3.5 Sino-India cooperation based on the financial integration index

With regard to financial integration, action will be taken to enhance co-ordination in monetary policy, expand the scope of local currency settlement and currency exchange in trade and investment between

countries along the route, deepen multilateral and bilateral financial co-operation, set up regional development financial institutions, strengthen co-operation in monitoring financial risks, and enhance the ability of managing financial risks through regional arrangements.

Financial integration is the important support of "the Belt and Road" initiative. Sino-India financial integration cooperation includes three aspects: financial cooperation, credit system and financial environment. Deepen financial cooperation, promote the Asian monetary stability system, investment system and credit system construction financing to expand bilateral currency swap, and clearing the scope of scale, promote openness and the development of Asian bond market and strengthen cooperation in financial regulation, promote the signing of bilateral regulatory cooperation memorandum of understanding, and gradually establish efficient

supervision and coordination mechanism in the region. Therefore, financial cooperation can be measured by currency swap cooperation, financial supervision cooperation and investment bank cooperation, credit system can be measured by credit facility and credit specification; financial environment can be measured by total reserves, public debt, and monetary soundness. As shown in figure 4, although China and India have not signed bilateral currency swap agreements, they have already worked in the areas such as financial regulation and investment banking, financial cooperation ranked 11 in the 63 countries along "the Belt and Road" initiative, financial environment ranked 18 in the 63 countries along "the Belt and Road" initiative, however, India lack of credit system, credit system ranked 60 in the 63 countries along "the Belt and Road" initiative, which restrict the prospects for Sino-India financial integration cooperation.

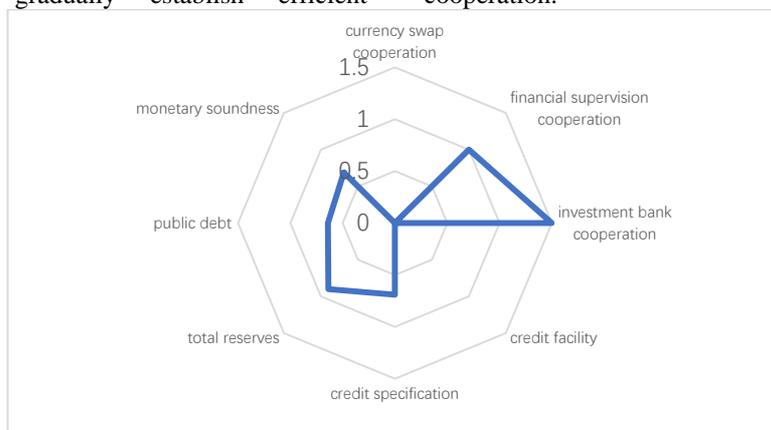


Figure 4: Radar map about Sino-India cooperation on the financial integration index

Source: <http://scie.pku.edu.cn/ydyl/>

3.6 Sino-India cooperation based on the people-to-people bonds index

In terms of people-to-people bonds, efforts will be made to promote exchanges and dialogues between different cultures, strengthen friendly interactions between the people of various countries, and heighten mutual understanding and traditional friendships. This will all form the basis for the advancement of regional co-operation.

People-to-people bonds is the social foundation of "the Belt and Road" initiative, also is the basic foothold of "the Belt and Road" initiative. people-to-people bonds includes three aspects: tourism activities, scientific and educational exchanges and civil intercourse. tourism

activities can be measured by the popular of tourist destination and the number of tourists coming to china; scientific and educational exchanges can be measured by scientific research cooperation and the number of Confucius institutes per million people; civil intercourse can be measured by Chinese netizens' attention to India, Indian netizens' attention to China, number of friendly cities and public favorability. As shown in figure 5, Sino-India cooperation on the people-to-people bonds is in the middle level, no wonder there are many misunderstanding views about China's "the Belt and Road" initiative, Sino-India cooperation under "the Belt and Road" initiative should focus on people-to-people bonds.

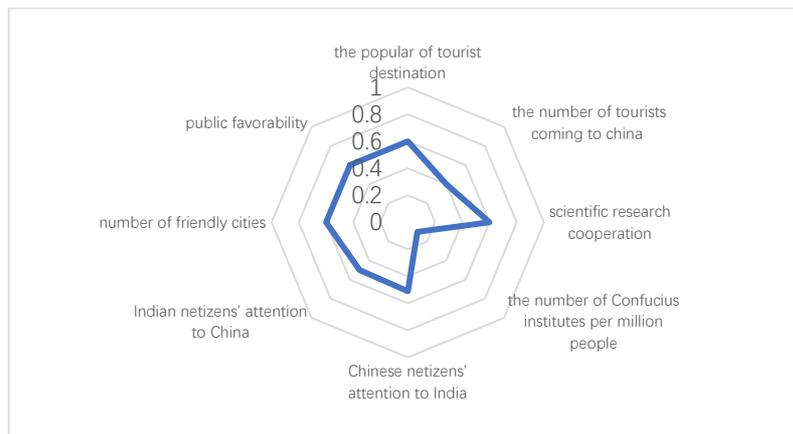


Figure 5: Radar map about Sino-India cooperation on the people-to-people bonds index

Source: <http://scie.pku.edu.cn/ydy/>

4. THE "WIN-WIN EFFECT OF SINO-INDIA COOPERATION UNDER "THE BELT AND ROAD" INITIATIVE

Since the Modi government came into power, a series of economic reforms have been carried out, India became the fastest growing country in the world in 2015. From the perspective of economic growth potential, India is still in the stage of capital accumulation, the demand for fixed assets investment is huge, and the sunrise industry such as information technology industry and financial service industry have dominant position in the world, population structure still has great advantages, the scale of consumption market is expanding, the will of consumption and the ability of consumption continue to improve, these positive factors will not disappear in the short term, and constitute the potential and advantage of India's economic development. The primary task of India government is to improve infrastructure construction, eliminate poverty and accelerate economic development in current and in the future period. "the Belt and Road" initiative is focused on make full use of China's favorable conditions such as strong domestic industrial capacity, skilled technical talents and adequate foreign exchange reserves to strengthen economic cooperation with countries along "the Belt and Road" initiative, to create a win-win community of destiny. Therefore, Sino-India cooperation under "the Belt and Road" initiative is a win-win effect.

4.1 "The Belt and Road" initiative provides the direction for Sino-India investment cooperation

India's facility is short plate among the countries along "the Belt and Road" initiative, transportation, information and communication technology and energy infrastructure are poor, inefficient, and unable to meet the needs of economic growth. India's insufficient investment has led to the lagging development of transportation, energy and municipal sectors for a long time, and the backward of infrastructure is the bottleneck restricting of India's economic development. Modi government implement economic structure transition focus on infrastructure construction and manufacturing development, and either infrastructure construction or

manufacturing development require lots of capital. So Modi government has also relaxed restrictions on foreign investment in order to attract more foreign investment, for example, the ceiling of foreign direct investment in the field of railway infrastructure increased to 100%, and also allow foreign investment to participate in India's construction projects such as suburban railway corridor, high-speed railway system, railway electrification and signal systems. China has rich experience and excellent technology in the field of infrastructure construction, investment cooperation between China and India is mutually beneficial.

4.2 "The Belt and Road" initiative provides the chance for Sino-India financial cooperation

China and India are not only an important member of the BRICS bank, but also an important founding member of the Asian infrastructure investment bank. The Asian infrastructure investment bank is an important part of "The Belt and Road" initiative, China and India can strengthen cooperation in the financial sector through the Asian infrastructure investment bank, gradually enlarge the scale of currency swap, carry out various financial innovations such as issuing various types of securities, setting up various types of funds and innovating financial mechanism, then bringing new chance for Sino-India financial cooperation.

4.3 "The Belt and Road" initiative provides the opportunity for Sino-India trade cooperation

From the perspective of trade structure between China and India, China mainly export manufactured goods to India, while India mainly export primary products to China, such as India mainly import mechanical and electrical products, chemical products from China, these commodities are closely related to India's urbanization, including the import commodities such as China's vehicles, aircraft, ships and transport equipment are increased year by year. Sino-India bilateral trade are complementary, and the complementarity is increasing, however, the complementarity between India's export products and China's imports is higher than that of China's exports and India's imports. Secondly, Modi government accelerated the development of manufacturing and infrastructure

construction for the direction of domestic economic reform, forming a huge production goods market in India, but the current manufacturing industry in India is relatively backward to meet the growing needs for consumer goods and the strong demand for all types of machinery and equipment, so India needs to import lots of consumer goods and materials, so as to provide an opportunity for China to expand exports to India. Certainly, with the rapid development of India's manufacturing industry, India's commodity production and export capacity will gradually increase, this will also increase India's exports to China. Therefore, "The Belt and Road" initiative provide the opportunity for Sino-India trade cooperation.

4.4 "The Belt and Road" initiative provides the platform for Sino-India industry cooperation

As a large developing country with a large population, China has many experiences and lessons for India to learn and avoid in economic development. In the manufacturing sector, China is the world's manufacturing center, there are many high-quality industries in the manufacturing sector, but there is a big problem of excess capacity. Modi government accelerate the development of manufacturing, need to build more manufacturing enterprises, then India can attract Chinese enterprises to invest in India, to build factories in India, China and India can promote industry cooperation in the manufacturing sector, and promote the development of India's manufacturing industry. In service sector, India is the world's office, also is the center of software R&D. The proportion of service industry in the GDP of India exceeds the sum of the first industry and the second industry. It has become the pillar industry in India's economy and the main driving force to promote the economic growth of India. The cooperation between China and India in software development and service outsourcing will help promote the development of China's service industry.

4.5 "The Belt and Road" initiative creates a harmonious and stable environment for Sino-India cooperation

Economic development needs a stable, harmonious surrounding environment. Modi government also stressed the hope that India need a peaceful and stable surrounding environment to promote the domestic economic reform in public speeches, China also needs a harmonious and stable environment to develop the domestic economy, so a rational economic order in East Asia—Southeast Asia—South Asian accord with the Sino-India's interests. "The Belt and Road" initiative to emphasize inclusiveness, adhere to the principle of "co discussion, co construction and sharing", which helps to strengthen mutual trust at the political and strategic level, reducing the possibility of strategic conflict that both countries want to avoid, it is a good opportunity for China and India to create a harmonious and stable surrounding environment. More than two thousand years ago, the ancient Silk Road was a peaceful trade route, was an inclusive platform for exchanging civilizations, nothing to do with war naturally. "The Belt and Road "

initiative also embodies the spirit of inclusiveness, reality and economic returns are huge.

5. THE RESTRICTING QUESTIONS BETWEEN SINO-INDIA COOPERATION UNDER "THE BELT AND ROAD" INITIATIVE

5.1 Historical problems and geopolitical contradictions lead to the lack of trust between China and India

The lack of trust in China and India is due to the history problems, for example, the border conflict between China and India and the Tibet issue, etc. India has always lacked trust in China, and the public opinion in India are also have more misunderstood to china, such as India has doubts about China's assistance to South Asian countries in infrastructure, a considerable number of India media and scholars regard these projects as concrete examples of China's challenge to India's "backyard" influence in South Asia. The comprehensive strategic cooperation between China and Pakistan is often extended to containment and containment of India, and the security cooperation between China and Pakistan often touches the sensitive nerve of India. On the other hand, the lack of trust comes from realistic considerations, which in order to protect their own security environment and maintain vigilance against the other side. Due to the linked, either the rise of China or the rise of India inevitably leads to the vigilance of the other side. India is worried about the rapid rise of China will breaking the regional strategic balance, and also worried that China will take the leader then to curb India. In Chinese view, the strategic cooperation between India and the United States, India and Japan, India and Australia are all curb attempts to China, and the excessive enthusiasm of the United States for the cooperation with India and the United States also embodies the strategy of using India to curb china.

5.2 Trade imbalance leads to trade frictions between China and India

China has become the largest trading partner of India since 2014, however, the total volume and structural level of bilateral trade between China and India are not commensurate with the economic development level of both countries. With the expansion volume of bilateral trade between China and India, trade frictions between the two countries are increasing year by year, especially after the outbreak of the financial crisis in 2008, China has become the main object of trade protection measures in India. Trade frictions such as trade remedy investigation, import restriction measures and import tax between China and India are increasing.

6. THE COUNTERMEASURES TO STRENGTHEN SINO-INDIA COOPERATION UNDER "THE BELT AND ROAD" INITIATIVE

6.1 Maintain high-level communication and strengthen policy communication

Strengthen policy communication is the important guarantee for the construction of "the Belt and Road" initiative. Sino-India cooperation under "the Belt and Road" initiative should strengthen communication between governments, actively build a multi-level inter-governmental macro policy communication mechanism, deepen the integration of interests, reduce doubts, get rid of misunderstanding, promote political mutual trust and reach a new consensus. Although the India government has not expressed the support for China's "the Belt and Road" initiative publicly, but have great expectations in improving relationship with China, sway from strengthen cooperation with China to limiting the influence of China on the India ocean frequently. Historical problems and geopolitical contradictions lead to lack of mutual trust between China and India, what is necessary for China and India to strengthen policy communication. "The Belt and Road" initiative respect the differences along all the country's in economic, social and cultural, with the open, inclusive, balanced and inclusive regional economic cooperation framework as the goal, China and India should start from the mutual trust from strategic height, make full use of high-level visits, effective integrate of the regional developing strategies such as "the Belt and Road" initiative, "BCIM economic corridor", "Project Masuam" and "Spice Route", resolving the doubts and joint development strategies among two countries.

6.2 Explore the economic connotation of "the Belt and Road" initiative fully

Although the Sino-India bilateral trade is complement, but the trade imbalance is prominent. China is the largest source of imports in India, the trade surplus from China to India has reached another higher record in 2016. Trade imbalances can be offset by investment in principle, however, the investment environment in India is poor, foreign capital operating plans in India are often difficult to push forward, even if the investment project is completed and put into operation, it also will encounter endless troubles. In addition, the procedure of approval foreign investment projects is inefficiency for India government, corruption is serious, and if involved in land acquisition, disputes are more difficult to avoid. Moreover, the investment in India is also faced with potential political impact of nationalism and populism. Therefore, the economic connotation of "the Belt and Road" initiative is to improve the investment environment in India, strengthen the guidance and protection of Chinese capital enter to India market and Indian capital enter to China market, will promote the healthy development of bilateral economic and trade exchanges.

6.3 Establish the friction coordination mechanism for Sino-India cooperation

Trade remedy cooperation mechanism is an important way to solve trade friction, China and India should strengthen the exchange of information in the field of trade relief, strengthen the communication of the practice of anti-dumping and countervailing duties, and solving trade frictions through dialogue. In the post financial crisis era, trade between China and India has

entered a new stage of development, but bilateral trade mainly focuses on goods, service trade is relatively weak. How to expand the trade cooperation, enrich the connotation of cooperation, tap the potential of cooperation, especially promote cooperation in services trade is an important consideration between the two countries. The development of service trade is always closely related to the level of economic development of a country. China and India have enjoyed rapid economic growth in recent years, and the potential of service trade cooperation is great, China should strengthen cooperation with India in service trade, for example, China can introduce India's software industry to improve the level of information services, and also can help India to build its infrastructure to improve India's infrastructure. China's service trade competitiveness is better than India, and the influence of China's service trade is greater than India, but seen from the comparative advantage index, China has achieved this advantages in quantity, and this advantages in quality are not obvious. Therefore, an inevitable path to deepen the mutual trade cooperation is to establish Sino- India service trade mechanism, the potentiality of Sino- India cooperation on these fields such as agriculture, environmental protection, energy, information are huge.

ACKNOWLEDGEMENTS

This research was supported by Society of Social Sciences of Fujian Province (project number: FJ2017C041), the Education Department of Fujian Province (project number: JAS170370) and Minjiang University (project number: MJS17006).

REFERENCES

- [1] Chen Fei. The research on strategic docking The Belt and Road "and" India monsoon plan"[J]. International outlook, 2015(11):15-32.
- [2] Gan Junxian. "The Belt and Road" initiative: dragon and elephant walk alone or dance together[J]. Research on international issues, 2015(7):96-113.
- [3] Ge Cheng. The consensus on India and china under "the Belt and Road" initiative: opportunities and difficulties[J]. Shandong Social Science, 2015(8):57-62.
- [4] Gurpreet S. Khurana. "maritime silk road": china's "master-stroke" of economic diplomacy? [Z]. <http://www.maritimeindia.org/View%20Profile/636265331878323841.pdf>
- [5] Lin Wangming. India Belt and Road Initiative on cognitive and Chinese policy[J]. World economy and politics, 2015(5):42-57.
- [6] Liu Zuming, Feng Huaixin. The background of China and India analysis of "identity" the interests of the construction\under "The Belt and Road" initiative[J]. Contemporary world and socialism, 2015(8):32-41.
- [7] Tesku singh. Securing India's Interests in the Indian Ocean: New Strategies and Approaches[Z].
- [8] <http://www.ipcs.org/article/china/securing-indias-interests-in-the-india-ocean-new-strategies-and-4789.html>
- [9] Yang Siling. "The Belt and Road" Initiative: response and Countermeasures in India[J]. Academic frontiers, 2015(5):37-50.

