# Contours of India's Foreign Policy - An Overview

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Foreign policy has always been a subject of considerable interest to the common man and to a practicing diplomat in equal measure. There are raging debates on the subject between the uninitiated and the practitioner alike.

From the early days of recorded history, Indian thinkers have written about the significance and importance of foreign policy in governance. A codified approach towards political and diplomatic strategy finds reference in the *Arthasastra* of Kautilya or Chanakya – the first structured treatise on statecraft. Kautilya strongly believed that nations acted in their political, economic and military self-interest. In Kautilya's view, expediency was to be the main consideration in foreign policy. Kautilya laid down measures to be adopted in carrying out an effective foreign policy. The contemporaneous *Thirukkural*<sup>1</sup> has an entire chapter<sup>2</sup> outlining the essential attributes of an envoy in the conduct of foreign policy and diplomacy.

The foreign policy of any country cannot be divorced from its domestic politics and governance – the influence and outcome of each impact on the other. The Freedom Movement and the thoughts and ideas of its founding fathers heavily influenced independent India's foreign policy. Shaped by the philosophy of Mahatma Gandhi's Ahimsa and Satyagraha as well as the reverberations of the struggle against colonialism, India saw its foreign policy anchored in the ideas of non-alignment as well as in supporting movements against colonialism, racism, and apartheid. India became a champion for non-discriminatory non-proliferation. It chose to chart an independent course, and positioned itself outside of any of the post-War alliances. Civilisational India could not have been expected to be a camp follower. There has been a cross-party national consensus on foreign policy,

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the thrust of its orientation remaining more or less the same – that is, firmly anchored in strategic autonomy.

#### The Global Context

The world has changed significantly since the early days of the last Century. World War I came to an end nearly 100 years ago. It is over 70 years since the guns fell silent after World War II. Europe was at the centre of these developments, dominating history and geography across the seas. Since the 1950's, the USA has literally been ruling the waves. Despite reports to the contrary, the USA will continue to hold strategic predominance in the years ahead. The Cold War with the Soviet Union, on the other side of the divide, saw the birth of non-alignment. However, the days of the Cold War are well behind us. And, with the disintegration of the Soviet Union, its Successor State, the Russian Federation has struggled to hold its own among the powers. Under President Vladimir Putin, Russia is slowly regaining its influence. The Euro-Atlantic dimension of global developments has shifted eastwards, towards the Asia-Pacific and the Indo-Pacific Regions. The 21st Century will belong to the Asia, Africa, and the Indo-Pacific regions. In all these intersects India can, and should, play an important role.

We are now in the second decade of the 21st Century. The events that will unfold in this decade will be crucial for peace, stability, and prosperity in the world. During the last century, the international order was largely dominated by two power blocs, one seeking to balance the other. That balance of power has dissipated with the collapse of the Soviet Union. However, there are turbulences in many parts of the world with new threats and challenges. There is a new President in the USA whose policies are still evolving. And, China has been flexing its muscles in the hope that its days under the sun have arrived. The state of international relations is not static but dynamic. Terrorism and extremism have become new threats. We need to keep a close eye on these developments, and respond appropriately to the evolving situation. Challenges will always be there; but they also throw up opportunities. We need to look at such opportunities and take advantage of them in our larger national interest.

# **India's Foreign Policy Goals**

India's foreign policy goals, among others, would include:

 Securing and protecting its borders, and preserving its unity and territorial integrity;

- Providing for uninterrupted economic growth, aimed at poverty alleviation and eradication;
- Promotion of trade; encouraging inward and outward investments;
- Ensuring energy security;
- Tapping domestically unavailable minerals;
- Preserving the environment;
- Securing technology, including information and cyber technology;
- Exploring outer space;
- Ensuring freedom of operation, and protecting sea lanes of communications;
- Promoting defence and security cooperation with likeminded countries;
- Participating in joint efforts aimed at combating international terrorism, cyber terrorism, piracy, drug running, and organised crime, and other threats;
- Forging enhanced people-to-people contacts through the use of soft power.

We can imagine the conduct of our foreign policy through a series of concentric circles or rising pillars wherein the immediate circle or pillar has our neighbours. It is natural that relations with our neighbours should predominate our foreign policy thinking. SEAN and countries farther East, which come under the ambit of our *Act East Policy*, as well as countries of the Gulf and West Asia, coming under our prescription of *Think West*, would follow. Our relations with the Permanent-5 or P-5 of the UN Security Council would have centrality, as it includes the three key players in our diplomatic engagement: the Russian Federation, China, and the USA. Europe, Africa, and Latin America would cover the remainder of the geographical tour. Based on this premise, we have developed a diversified set of relationships which are not mutually exclusive.

# SAARC and neighbours

India's relations with seven of SAARC's eight members are good. Political relations with each of them have been excellent and even robust at times. India's development assistance to each of the SAARC members, barring Pakistan, has been considerable.

There were initial hiccups in India-Afghanistan relations following President Ashraf Ghani's election. His enthusiasm for friendship with Pakistan

was an inhibitor. However, his disappointment with Pakistan, and characterisation of India as the "true friend" restored bilateral relations back to their traditional level. India's assistance to Afghanistan through development aid and capacity building has been globally appreciated. India is committed to supporting Afghanistan by providing it moral, financial, and material support.

India has been participating in multilateral discussions on Afghanistan. It expressed its disappointment at being excluded from the Russia-China-Pakistan trilateral meeting, and was subsequently invited for the discussions in Moscow<sup>3</sup>. India has expressed its reservations on the inclusion of the Taliban in any governing structure by emphasising that there is no good or bad Taliban. The situation in Afghanistan is complicated, with Pakistan's policy aimed at undermining the duly elected Afghan Government. Pakistan wants to exercise control over Afghanistan in providing strategic depth in its war of attrition against India. Pakistan would make every effort to keep India away from the deliberations on Afghanistan, and work against India providing support to Afghanistan and its people. The US drawdown of forces in Afghanistan and the increasing Chinese influence there brings a new equation to the evolving Afghan situation. Regrettably, Russian influence in Afghanistan has come down significantly, and it has been forced to work in tandem with China and Pakistan.

Our relations with Bhutan have been more than excellent.

Relations between India and Bangladesh have been restored to complete normalcy following the coming into office of the Awami League Government of Sheikh Hasina. India and Bangladesh have settled their land and maritime boundaries. The most significant contribution of the Sheikh Hasina Government has been the clamping down of Pakistan aided and abetted terrorism active in India through Bangladesh. In a recent interview, on the eve of her proposed visit to India, Sheikh Hasina has reiterated that Bangladesh's counter terrorism cooperation with India is absolute. She was also highly critical of Pakistan's continued animosity towards Bangladesh.<sup>4</sup>

While relations with Nepal do indicate a semblance of normalcy, the uncertainty will continue to prevail. The Government in Kathmandu will have to address the concerns of the Madhesis in its new Constitution. India has urged Nepal to make efforts to resolve all issues through a credible political dialogue. Kathmandu's desire to run with the hare and hunt with the hound in playing off India and China to get the best from both these countries could be a continuing irritant. At the same time, Nepal is aware of the importance of good neighbourly relations with India and the dependency factor, which cannot be compensated by its over-proximity to China.

India's relations with Sri Lanka have been positive. India is extensively associated in the re-development process in the North and East of Sri Lanka. This assistance has been warmly welcomed by the local people in these areas, and by the Sri Lankan Government.

Relations with Sri Lanka resonate to some extent on the state of play within the State of Tamil Nadu. One continuing irritant has been the fisher's issue, which continues to raise passions in Tamil Nadu. The issue of Kachchativu also crops up in discussions in Tamil Nadu politics. India has been engaging the Sri Lankan authorities in looking at the Tamil issue in its entirety – from a humanitarian and legal perspective – and has repeatedly urged them to adhere to the various assurances given to the Tamils. It has impressed upon them that this needs to be done expeditiously to ensure peace, security, and stability in the region.

India has noted the moves by the Sri Lanka Government to allow Chinese submarines to dock at its port, and permit Chinese investments in strategic sectors which might impinge on India's security.<sup>5</sup> The current Sri Lanka Government seems to be sensitive and responsive to India's concerns.<sup>6</sup>

There have been areas of political and economic concern in India's relations with the Maldives. The political difficulties in the Maldives have cast some shadow on the bilateral relationship, but have not gone beyond unmanageable levels. The interest of Maldives in attracting greater Chinese<sup>7</sup> and Saudi investment<sup>8</sup> (later aborted<sup>9</sup>) in developing its infrastructure will need constant monitoring. The increasing Wahhabi influence and the number of Maldivians being attracted towards ISIS needs to be carefully watched. At the same time, the Maldives is aware that, in an emergency, they have to turn towards India.

Pakistan has continued to face an identity crisis of an existential nature right from the days of Partition. This has been complicated by the internal dynamics where the power vests with the Army, with responsibility devolving on the civilian Government. Pakistan feels that it can overcome its internal contradictions by continuing its war of attrition with India. This has not only created political uncertainty within Pakistan but has brought the country to its knees. And, this contradiction has converted the country into a fertile breeding ground for the malefic forces of terrorism, extremism, and revisionism. If left uncontrolled, the country will be drawn over and into an abyss. Turning westwards is not going to offer Pakistan any solace or succour.

Regrettably, Pakistan has unleashed the Frankensteinian monster of terror to wage its continuous and constant war against India. It has become the

cesspool of terrorism where the monster is slowly eating away the vitals of its master. This is not only an itinerant threat for Pakistan, but also for India, the region, and the world. No wonder a US Congressman wanted to declare Pakistan as a State sponsor of terrorism. <sup>10</sup>And, a Rajya Sabha MP had sought a motion <sup>11</sup> declaring "Pakistan a state sponsor of terrorism" (Bill later withdrawn). <sup>12</sup>

India has tried its utmost to normalise relations with Pakistan. It has gone the extra mile. But each forward step taken by India has seen Pakistan reverse the trend by many steps. This negative momentum from across the border has been witnessed by successive Prime Ministers of India in literally every decade since Independence. An important factor in the equation governing Pakistan's relations with India has been the GHQ and the Chief of the Pakistani Army. The previous Army Chief, General Raheel Sharif, was viscerally anti-India. He presided over and encouraged overt State sponsorship of terrorist activities against India. Commentators have noted that, under the new Chief General Qamar Bajwa, there would be a toning down of the anti-India rhetoric from Rawalpindi. However, there is still no evidence to suggest whether this is realistically possible or just wishful thinking.

The State of Jammu and Kashmir is an integral and inalienable part of India. There is no question of revisiting this subject. India has made this position clear to Pakistan and the international community. Pakistan is using Jammu and Kashmir as a smokescreen for its agenda aimed at whittling down India's rise among the comity of nations. It will always find a new excuse to keep the pot boiling against India. Unfortunately, Pakistan has been able to incite some of the youth in the State despite the absence of majority support. India has made it clear to the Government of Pakistan that no meaningful dialogue is possible as long as it supports and sponsors terrorism against India. Pakistan will have to take strong action against terror groups like the Lashkar-e-Taiba / Jamaat-ud-Dawa, the Jaish-e-Mohammed, and others. These groups morph themselves, and operate under different names to circumvent UN designation. The terror factories have to be shut down, and the leaders of the groups incarcerated.

India has strongly reacted to the recent intention of the Pakistani Government to incorporate the territory of Gilgit-Baltistan as its fifth province.<sup>13</sup> India has also conveyed its displeasure to China on the passage of the so-called China Pakistan Economic Corridor through the region.<sup>14</sup>

Pakistan has all along taken India for granted. It feels that India is a soft State, which will not respond in an appropriate measure to its various acts of terror and mayhem. India has sent a strong signal to Pakistan that it will not hesitate to take tough action. This became evident after the surgical strikes post-Uri in September 2016, and the tough talk on the Indus Water Treaty. The Prime Minister's statement on Balochistan, <sup>15</sup> and the emphasis in our international discourse on the situation within Pakistan at the United Nations and elsewhere has unnerved Pakistan.

The non-grant of MFN by Pakistan to India and other issues will also continue to be a factor in bilateral relations. However, the predominant determinant will be the State sponsorship of terrorism by Pakistan.

Pakistan is emboldened in its intransigence due to the unbridled support from its all-weather friend China. <sup>16</sup> It feels that with China's support, it has the immunity to act with impunity.

One of the major reasons for SAARC's inability to consolidate itself, and move forward as other regional groupings have done, has been the role of Pakistan in undermining the greater engagement between the countries in South Asia. This is driven in particular by its antipathy towards India. While paying attention to SAARC, India has worked out a strategy to see that progress in regional cooperation moves forward through sub-regional activities, including through BIMSTEC and the BBIN, among others.

# The People's Republic of China

India's relations with **China** are complex. China's strength and power today is on the cusp. President Xi Jinping perhaps enjoys uncontested authority. He holds all centres of power in the State: he is the General Secretary of the Communist Party of China, the President of the People's Republic of China, and the Chairman of the Central Military Commission. He has been elevated to the position of "core" leader in 2016.<sup>17</sup> Only Mao Zedong and Deng Xiaoping previously enjoyed such an honour. Quietly but authoritatively, Xi has left his imprint on China's internal developments and on international relations. President Xi's visit to Davos, the first by a Chinese leader, was covered extensively.<sup>18</sup> China has not hesitated to flex its muscles in the South China Sea. The One Belt-One Road/Belt Road Initiative (OBOR/BRI) has been accorded considerable push under President Xi, and has allowed China to gain a foothold in many strategic locations, including in India's neighbourhood.<sup>19</sup>

India's relations with China need to be based on the principles of goodneighbourliness. However, the absence of a relationship based on trust has to be noted. There seems to be a deliberate attempt by China to feign ignorance of India's core national interests. This logic is premised firstly on the fact that China considers itself as the power of paramount importance in Asia, and would be reluctant to accord the status of an equal to any other nation. Secondly, China's all weather friendship with Pakistan does create a jarring note, making irritants crop up when there should be none. Thirdly, China's ambitions to be one of the two power centres in a globalising world – even if it cannot assume the mantle of the sole superpower – creates hurdles in the smooth and harmonious development of India-China relations.

Despite the above, the Government of India has ensured that the cooperative strategic partnership with China remains on an even keel. Meetings between the leaders of the two countries, both bilaterally and on the margins of international meets, have been regular. And, the situation along the Line of Actual Control has remained more or less peaceful for nearly four decades.

India has concerns on bilateral commercial and economic cooperation with China, both from a trade perspective and from the security angle, in certain investments in the core sectors of the economy. Today, China is India's largest commercial partner. Bilateral trade was US\$70.7 billion in 2015–16.<sup>20</sup> Trade is heavily skewed in China's favour – with imports into India comprising 87 percent of the turnover at US\$61.7 billion, and exports around 13 percent at US\$9 billion. India has asked China for greater market access to some of its products to address the trade imbalance. India is also seriously concerned over spurious drugs with Indian-origin labels emanating from China being marketed in Africa and other places.

Chinese investment in India has been growing rapidly in various sectors. India need not be reticent in welcoming Chinese investment if it meets a set of criteria from the economic and security perspective.

India has not responded to OBOR in the absence of clarity on its ultimate aims and objectives.<sup>21</sup> India has expressed its strong concern and reservation over the US\$42 billion China-Pakistan Economic Corridor (CPEC) as it passes through Pak-Occupied Kashmir.<sup>22</sup>

China and India are members of BRICS, and the Shanghai Cooperation Organisation (SCO) – India will be welcomed as a full member of the latter organisation in June 2017. India is a founding member of the Asian Infrastructure Investment Bank (AIIB).

China's expansion into the Indian Ocean, the development of strategic bases and ports (Djibouti and Gwadar), the increase in its defence budget, its aggressive posturing in the South China Sea over sea lanes and through the declaration of the ADIZ are issues which have been watched carefully, and commented upon extensively. India has been closely following each of these developments. China had complained against Indian exploration activities in Vietnamese waters; but India had responded appropriately to the Chinese.

Some recent and earlier steps by China did have an effect on the level of trust between the two countries. However, these also expose China's double standards. China's constant thwarting of India's efforts to gain membership of the Nuclear Suppliers Group; Beijing's repeated attempts to block the declaration of Masood Azhar as a global terrorist by the UN Sanctions Committee despite his organisation, the Jaish-e-Mohammed, being designated by the UN as a terror outfit; the passage of the China-Pakistan Economic Corridor (CPEC) through Pak-Occupied Kashmir; China's reluctance in giving an unambiguous expression of support for India's candidature as a permanent member of the UN Security Council; the presence of Chinese soldiers in Pakistan-occupied Kashmir and Gilgit-Baltistan as workers involved in the CPEC project; China's defence and security relationship with Pakistan which could only be targeted against India; and China's avowed aim of equating India and Pakistan, have all left a negative impact on India's thinking.

China has been reluctant to move forward on settling the border dispute between the two countries. China's recent claim on Arunachal Pradesh, and Tawang in particular, is contrary to the Agreement on the Political Parameters and Guiding Principles of 2005 wherein it was agreed that settled populations would be taken into account in any settlement.<sup>23</sup> China's reactions to visits by the Dalai Lama and the American Ambassador and others to Arunachal Pradesh reflect its continued determination to keep the border issue unsettled. And, China's continued harsh reaction to the Dalai Lama also exposes its fickleness.

China's disdain for the international legal system was evident when it refused to accept the UNCITRAL decision on the South China Sea. A commentator noted that international law was powerless against the powerful and powerful against the powerless.<sup>24</sup>

#### 'Act East' in India's Foreign Policy

The earlier 'Look East' dimension of India's foreign policy has been transformed into an active 'Act East' policy. The relationship with ASEAN forms the cornerstone of India's Act East policy. India became a full Dialogue Partner of ASEAN in 1996, a Summit level partner in 2002, and a Strategic Partner in 2012. India is a member of the East Asia Summit and the ASEAN Regional

Forum. ASEAN, as a group, is India's 4th largest trading partner, with bilateral trade reaching US\$ 65.05 billion in 2015–16.<sup>25</sup> ASEAN is an important investment partner. ASEAN and its 6 Dialogue Partners, including India, Japan, China, South Korea, Australia and New Zealand, are currently discussing the Regional Comprehensive Economic Partnership (RCEP). While relations with many of ASEAN's founding members remain strong, relations with Myanmar are important as they could contribute effectively towards the political security and economic development of India's North Eastern Region.

Relations with Japan have received a significant boost since May 2014. Besides the excellent political relationship, economic relations continue to give strength and content to the cooperation. One of the welcome developments has been the conclusion of the India-Japan civil nuclear deal in November 2016 after years of negotiations.<sup>26</sup>

South Korea will continue to be an important economic partner. Relations with Australia have political, economic as well as strategic significance.

# 'Think West' in India's Foreign Policy

The countries in the region of Gulf and West Asia form an integral part of India's Think West<sup>27</sup> agenda. This region is collectively India's largest trading partner, with bilateral trade touching US\$ 125 billion in 2015–16.<sup>28</sup> They have a crucial stake in providing for India's energy security. 60 percent of India's crude oil imports and 85 percent of gas imports originate from this region. India has strategic partnerships with the United Arab Emirates and Saudi Arabia. Frequent interactions and regular visits by leaders of India and these countries have now become a norm. India finds an important place in the Look East policy<sup>29,30</sup> announced by some of these countries. India should position itself as an attractive destination for investment of the considerable Sovereign Wealth Funds of the GCC States.

Most significantly, the Gulf region is home to over 8 million Indian nationals. They have been the preferred choice amongst workers from elsewhere. The remittances sent home by Indian nationals from the region is around US\$40 billion annually. The safety and security of the Indian community in the region is an important responsibility of the Government of India. This was evident during the crisis situations in Kuwait, Iraq, Lebanon, Libya, Yemen, among others, when a large number of Indian nationals had to be evacuated. And, despite the localisation in employment regulations, the category and number of Indian workers has not been affected.

Partnership with Iran has considerable strategic significance for India. Iran plays an important role in our energy security. The Joint Comprehensive Plan of Action (JCPOA) between Iran and the concerned parties in 2015 has removed an important hurdle in the consolidation of relations with Iran. Importantly, Iran is geographically well placed to provide India with access to the Central Asian States and Afghanistan, which is currently constricted. This problem could be overcome when the Chahbahar Port in Iran is developed. India needs to move fast in finalising decisions in the execution and completion of the project.

Relations with Israel are singularly important. Defence and security relations with Israel are of paramount significance. Prime Minister Narendra Modi is expected to visit Israel this summer.

India has called for a peaceful resolution of the conflict in Syria, and has expressed itself against externally imposed regime change. The erstwhile sides in the Cold War are playing out the Syrian conflict. A settlement of the conflict could lead the international community to focus on defeating the malevolent monster—the ISIS.

## The United States of America

India's relations with the USA have moved forward dramatically since the early days of this century, and have continued to develop from strength to strength over the last decade and a half. Both countries have overcome "the hesitations of history", 31 and consolidated their relations across a wide range of areas and activities. Meetings between leaders have been frequent in a bilateral setting as well as on the margins of multilateral meetings. Prime Minister Modi and former President Obama met dozens of times over a period of two years.

The India-US partnership received added impetus after the India-US Strategic Dialogue was upgraded in 2015 to an India-US Strategic and Commercial Dialogue.<sup>32</sup> The USA is today India's second largest trading partner, with exports at US\$40.3 billion and imports at US\$21.9 million (in 2015-16).<sup>33</sup> It is amongst the largest investors in India. Defence and security relations have undergone a radical transformation, with India now being a "major defence partner" of the USA. Both countries have institutionalised extensive discussions and the exchange of information in the areas of counter-terrorism, cyber security, anti-piracy, drugs, and organised crime.

Indo-US defence cooperation, including Service-to-Service exchange, is extensive. Both countries hold joint exercises in a number of areas. The USA is among the largest seller of arms to India. The signing of the Logistics Exchange Memorandum of Agreement (LEMOA) gives access, to both countries, to designated military facilities on either side for the purpose of refuelling and replenishment. The agreement deals in the four areas of port calls, joint exercises, training, and Humanitarian Assistance and Disaster Relief.

Prime Minister Modi and President Obama enjoyed a cordial relationship. Many wonder whether such a relationship will continue under President Donald Trump. During his telephonic conversation with Prime Minister Modi on 24 January 2017,<sup>34</sup> President Trump emphasised that the USA considers India a true friend and partner in addressing challenges around the world; they discussed opportunities to strengthen the partnership between the USA and India in broad areas, such as the economy and defence; they also discussed security in the region of South and Central Asia, and resolved that the USA and India stand shoulder to shoulder in the global fight against terrorism. President Trump also said that he looked forward to hosting Prime Minister Modi in the USA later this year. Prime Minister Modi also invited the US President to visit India. The recent US reiteration of support to India's membership of the NSG does indicate continuity in the close partnership between the two countries.<sup>35</sup>

At the same time, India will have to keep an eye on the course and content of any upward movement in US-Pakistan and US-China relations, and how these would impact on India.

There has been concern in India over the attacks on Persons of Indian Origin in the USA. The country was shocked by the deaths of Srinivas Kuchibhotla in Kansas and Harnish Patel in South Carolina. Speaking in the Lok Sabha, <sup>36</sup> External Affairs Minister, Sushma Swaraj noted that these incidents were isolated actions of a few individuals, and did not represent the sentiment of the American people towards India. The Minister also said that the Government had discussed such attacks at the highest levels of diplomacy with the USA, and had been assured of an investigation into the causes behind the incidents.

The Indian media has written extensively to reflect the concern of Indian professionals on a possible reworking of the US H1-B visa process. India has taken up the matter both in the US Congress and with the Administration,<sup>37</sup> and has pointed out to the American side that the presence of Indian

professionals in the USA has been beneficial to both countries. It actually helped the American economy to be more competitive, and even created jobs for Americans. At the same time, the US Administration is aware and recognises the significant contribution of Indian IT professionals to the American economy.

#### The Russian Federation

In the second half of the last century, one of the India's most important partners from an economic and security perspective was the former Soviet Union. In the initial days following the break up of the Soviet Union, there were apprehensions that these relations would suffer under the successor state – the Russian Federation. Indo-Russian relations did have their ups and downs. However, the strength of the partnership was reignited from the very first days of the 21st Century, when India and Russian Federation formally renewed the strategic partnership agreement - that existed prior to the breakup. Annual Summits have become the norm. Russia remains one of the most important sources for India's defence requirements. Service-to-Service interaction has been extensive. India and Russia have significant cooperation in the area of intelligence sharing, and in combating international terrorism, cyber crimes, drug running, among others. Russian cooperation in the sectors of atomic energy and space are second to none. The Kudankulam Nuclear Power plant is currently the only foreign Government assisted nuclear plant in operation in India, cooperation with other countries being stuck at various stages of discussion and negotiation. Russia has played an important role in providing for India's energy security. The recent decision on the setting up of an energy bridge<sup>38</sup> is a positive step. Russia will continue to be a critical partner in India's economic development and security requirements.

Russia's increasing embrace of China and its recent dalliance with Pakistan has figured in media commentaries and in various analyses. These developments have been viewed with some concern, and beg the question: is Russia working with these countries on issues which could impact India's interests? At the same time, while India needs to be alert to any new development in this regard, there should be no question of any doubt creeping in on the level of Russian commitment to its engagement with India, and the strength of the bilateral partnership.

#### The European Union

The European Union is one of India's leading trade and investment partners.

It was India's 3rd largest trading partner by region in 2015–16, with a total trade at US\$ 88.36 billion.<sup>39</sup> The EU was also India's largest source of FDI. The 13th India-EU Summit in March 2016 helped reinvigorate the partnership by issuing an India-EU Agenda Action 2020.<sup>40</sup> It delineated specific ways in which India and the EU should commit to strengthen cooperation in a wide range of areas over the next five years.

An important pending issue in India-EU relations is the completion of negotiations of the Broad-based Trade and Investment Agreement (BTIA). The EU has sought greater liberalisation of tariffs on automobiles, auto components, wines and spirits; en block mention of Geographical Indications pertaining to EU in BTIA; more openness in government procurements; enhanced FDI in telecom services, multi-brand retail, insurance sector, banking; and liberalisation in legal services, maritime services; and the opening of accountancy and auditing services, courier/postal services, e-commerce, and financial services. India has demanded data adequacy status for Indian IT companies; increased quota for the movement of professionals (Mode 4); and the relaxation and greater transparency/predictability in Sanitary and Phyto-Sanitary Norms and Technical Trade Barriers imposed by the EU. Both sides will have to work towards a mutually acceptable solution.

**BREXIT** has put on hold further discussions on the BTIA. This should resume once there is some clarity on the outcome of the EU-UK discussions. India will need to prepare a fresh strategy on the BTIA negotiations, and factor in separate discussions on a UK-India FTA. And, the larger question from a global economic standpoint is what shape BREXIT will leave the EU in, and what sort of impact it will have on other regions and countries?

# Africa

India's relations with the continent of **Africa** are geographically close and historic. The common struggle against colonialism and apartheid brought the two even closer. India's interaction with Africa is conducted at three levels: multilaterally through the African Union; regionally through the eight Regional Economic Communities (RECs); and bilaterally. Since 2008, the mechanism of the India Africa Forum Summits (IAFS) has provided for an institutionalised approach to this cooperation. The third IAFS was held in New Delhi in October 2015 against the background of the adoption of Agenda 2063 by the African Union. Barring one or two Heads, the entire leadership of the continent attended the Summit.

India has committed a total of US\$20 billion of concessional credit to Africa following the three IAFS' and until 2020. Nearly 25,000 scholarships have been provided to young Africans. 50,000 more scholarships are on offer. India's interaction has resonated well with Africa as it is based on the principle of a bottom-up and not a top-down approach.

There is a large African community in India, particularly of students. While it has to be ensured that they do not break the law, their safety and security is an important Government responsibility.

## **Latin America**

There are considerable opportunities for cooperation with **Latin America**. Besides the big Latin American countries of Brazil, Mexico, and Argentina, India needs to further move ahead in its relations with the medium and smaller countries in Latin America and the Caribbean.

# International and Regional Organisations and Issues

India is a candidate for the permanent membership of the **United Nations Security Council**. India's candidature should be successful by any objective criteria. India has unequivocal support from three – and possibly of the fourth, of the five permanent members of the UN Security Council and a significant membership of the UN. However, the process is complicated as it involves the required support to amend the UN Charter in both the Security Council and the General Assembly.<sup>41</sup>

Terrorism is a global challenge and requires joint action by the international community to eliminate this menace. India is in the forefront of the global action against terrorism. It has proposed a Comprehensive Convention on International Terrorism at the Unties needs to be concluded at the earliest. At the same time, India is concerned over the selective approach in the 1267 Sanctions Committee. Besides counter terrorism, India seeks greater international cooperation against cyber crimes, drugs and arms running, and organised crime.

The Indian Ocean Rim Association (IORA) celebrated its 20th Anniversary by holding the first ever IORA Leaders' Summit in Jakarta in March 2017 under the theme "Strengthening Maritime Cooperation for a Peaceful, Stable, and Prosperous Indian Ocean". A Jakarta Concord "Promoting Regional Cooperation for a Peaceful, Stable and Prosperous Indian Ocean" was signed.

An "IORA Declaration on Preventing and Countering Terrorism and Violent Extremism" was adopted. India is an active participant in IORA deliberations.

The Indian Ocean region will see significant interest in the coming days in harnessing blue economy resources. The blue economy – marine economic activity including fishing, renewable energy, mineral exploration, and coastal tourism – is emerging as a common source of growth, innovation, and job creation for the Indian Ocean region. With a vast coastline, and located as it is centrally in the Indian Ocean, the importance of the blue economy to India cannot but be overemphasised.

BRICS has been a great success since it took shape as a political grouping with economic parameters in 2006. The setting up in 2014 of the New Development Bank (NDB) and the Contingency Reserve Arrangement (CRA) were significant developments. Regrettably, one of the biggest setbacks due to the success of BRICS has been a lack of interest in the IBSA (India, Brazil and South Africa), which brings together three democratic countries with an equal and shared interest in the economic growth of their countries, and responds to the needs of developing countries.

The 21-member APEC grouping was formed in 1989. India had applied for APEC membership in 1993. However, new membership was frozen in 1996 under a 20-year moratorium. The former Australian Prime Minister and the APEC Task Force Head, Kevin Rudd, noted in 2015<sup>42</sup> that it was "fundamentally important" to include India into the APEC membership to "rectify a historical error".

# Notes:

- <sup>1</sup> Thirukkural (literal meaning The Sacred Verses), or shortly 'the Kural', is a classic Tamil Sangam literature consisting of 1330 couplets or kurals, dealing with the everyday virtues of an individual
- <sup>2</sup> Ibid, Chapter 69 'Emissary', Verses 681–690, https://thirukkural133.wordpress.com/ 2013/09/15/chapter-69-emissary/ accessed on 30 April 2017
- http://www.thehindu.com/news/national/India-to-join-Moscow-meet-on-Afghanistan/ article17303436.ece
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- 6 https://thewire.in/98563/chinese-investment-sri-lanka-protests/

- <sup>7</sup> http://www.ipcs.org/article/south-asia/china-overtaking-india-in-maldives-5128.html
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- <sup>20</sup> http://commerce.gov.in/EIDB.aspx
- http://mea.gov.in/Speeches-Statements.htm?dtl/26433/Speech\_by\_Foreign\_Secretary\_at\_Raisina\_Dialogue\_in\_New\_Delhi\_March\_2\_2015
- <sup>22</sup> http://mea.gov.in/lok-sabha.htm?dtl/28389/question+no6376+talks+with+china
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- <sup>28</sup> http://commerce.gov.in/EIDB.aspx
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