

## ***Challenge and Strategy: Rethinking India's Foreign Policy***

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For some time now, there has been a buzz about India's growing role in the world and a widespread feeling that India must play a much larger global role. Today, this feeling has become far more acute.

It is important, then, that there should be greater, and more widespread, awareness of foreign policy challenges faced by India, as well as a deeper understanding of the stakes and options for India's foreign policy. The public needs to be more knowledgeable about foreign affairs, which cannot be the concern only of those who exercise power in New Delhi. It is something in which every citizen should be involved. It is also essential that there should be a vibrant and constructive debate, especially involving the young, on where we are headed and why, because unless there is public support our foreign policy will not be successful. Some recent incidents pertaining to our relations with Sri Lanka and Bangladesh where the Chief Ministers of Tamil Nadu and West Bengal respectively forced the hand of the Central Government illustrate this point. I am glad that the BJP manifesto talks about having a "Team India" that brings together the Prime Minister and the Chief Ministers of States.

My conversation with you today is a small effort to create this awareness, perhaps stimulate your imagination and set you thinking. This is particularly important because I believe that the world has been in a state of flux for about 25 years. The French Revolution of 1789 was a remarkable event that signalled the end of feudalism, and marked the beginning of the modern era. 'Liberty, Equality and Fraternity' were the slogans of the French Revolution. The French Revolution planted the seeds of hope among the masses, but it was

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followed by a quarter century of disorder and chaos in Europe. Napoleon rose to power, but was then defeated and exiled. It was only in 1815 that the Congress of Vienna established a 'Concert of Europe' that brought some peace and stability to Europe. Exactly 200 years later, in 1989, the Berlin Wall fell and Communism collapsed. Like the French Revolution, this too was a very important turning point in world history. If one were to choose one defining idea of the 20<sup>th</sup> century, it is Communism. The whole concept of socialism, the rise of the trade union movement, and the emergence of the welfare state - all have their origins in the rise of Communism. The fall of the Berlin Wall symbolized the end, politically not chronologically, of the 20<sup>th</sup> century.

This epochal event too, has been followed by a period of uncertainty and disorder. For a while it seemed that the world had become unipolar, but then it turned out to be not quite so. This has been followed by the remarkable, seemingly inexorable, rise of China but that is not such a straightforward story. Just when we thought that we might have left behind Cold War-style wars and confrontation, Crimea happens and sanctions are imposed on Russia. We haven't really managed to leave behind the 20<sup>th</sup> century. So the question arises: where are we headed? I believe it is like playing with a kaleidoscope whose pattern is constantly changing with every little twirl. When will the pattern settle down? I don't know, but I do believe that the present situation provides an opening for India.

The 21<sup>st</sup> century world will be a very different world from the 20<sup>th</sup> century world and, much more so, the 19<sup>th</sup> century world. It is a globalized, interdependent, technology-driven world. Yet the institutions that we are living with and the mindset that we have belong to the 20<sup>th</sup> century. Nationalism was the idea of the 19<sup>th</sup> century. That is when the concept of nation-states was born. Today, pure nation-states do not exist. They have given way to multi-ethnic states. Earlier, we thought that a state in order to survive has to be viable. But today little statelets smaller than a district in India are recognized as independent states and are members of the United Nations.

Other things have changed as well. There are new challenges that face the world today; water, food, energy security, and climate change. While the United States of America remains the leading global power, it is declining in relative terms. There is the rise of Asia: apart from China, there is a much more assertive Japan, as well as Indonesia, Vietnam, and of course, India. Europe, that once dominated the world and initiated world wars, is now pacifist and self-absorbed, focused on trying to make its integration project a success. The geo-political tussles of the 21<sup>st</sup> century will be in Asia, because

of geography, demographics, and economic strength. 50 per cent of the world's population—in East Asia, Southeast Asia and South Asia—lives within a circle with a radius of 2000 miles or so, centred in Thailand. Some of the world's fastest-growing economies are in Asia. There is a new focus on regional cooperation. However, Asia also suffers from some of the most serious global problems: militant Islam, terrorism, drugs, piracy, as well as the so-called failed and failing states. Thus, Asia is where hope springs. Asia is also where fears arise. Asia is where lies both challenges and opportunities.

In this macro picture, where does India fit? In crafting our foreign policy, we should take a broader view of India in the larger global scene, not merely the perspective of a self-absorbed India.

### **India at the Centre**

The first point I want to suggest to you is that India is strategically located at the centre of Asia. The Indian Ocean is called so because it is an ocean that is dominated by India. Since ancient times other civilizations and cultures have been searching for a way to reach India. Although Christopher Columbus reached the West Indies, he had set off from Spain looking for India. The name 'West Indies' speaks for itself. The strength, reach, and viability of the British Empire depended on Britain's control of India (the 'jewel in the crown'). Without India, Britain would not have been able to extend its empire and influence throughout Asia. It is significant that there was a separate foreign policy for British India, underscoring its importance to the British Empire.

India's strategic perspective was well defined by the first Secretary General of the Ministry of External Affairs, Sir Girija Shankar Bajpai, who articulated a three-layered concept of India's security. The first layer is from the Hindu Kush to the Irrawaddy, i.e. from Afghanistan to Burma. The developments in this geopolitical space are of direct interest to India. The second layer extends from Aden and Hormuz to Singapore, i.e. India's extended neighbourhood from the Persian Gulf and the Arabian Sea to the Northern Indian Ocean and the Bay of Bengal. The third layer covers the expanse from Suez to Shanghai, or roughly from West Asia to the Western Pacific Region. India's crucial interests lie here and therefore it cannot be indifferent to developments in this region.

In my view, India is also at the crossroads of Asia because it is at the intersection of five 'arcs.' The first of these, the 'arc of growth and prosperity', extends from India through South East Asia to East Asia. This

arc constitutes growth, dynamism and economic opportunities. The second arc, the 'arc of instability and turbulence', is to India's west: Pakistan, Afghanistan, the Persian Gulf, and the Arab world. The third is the 'arc of energy', constituting 90 per cent of the world's exportable energy, extending from the Persian Gulf, through the Caspian region, to Russia and Siberia. The fourth arc is the 'arc of communications', primarily comprising the sea lines of communication (SLOCs). A very large percentage of world energy trade and a significant portion of goods trade transits through this arc within a few hundred miles of India's territorial waters and EEZ. The fifth arc, the 'arc of uncertainty', lies to India's north, and encompasses Tibet, Xinjiang, and the Central Asian countries. The fact that India is positioned at the intersection of all these 'arcs', presents opportunities as well as poses challenges. Therefore, India has to carefully consider how to leverage its strengths and overcome its weaknesses.

There are many expectations from India. Globally, India is seen as a benign rising power that doesn't threaten anyone. That may be so today but is not necessarily true for all time. If India grows consistently at 7 per cent or more every year, in a decade or less India will become a country of concern to the big global players. That is so because India's inherent advantages and strengths are so enormous that if India were to be an economy of China's size, it would be able to exert greater global clout than what China does presently simply because of its advantageous position in the centre, as opposed to China's position on the edge, of Asia. With its centrality, India can extend its reach to the Persian Gulf and West Asia, Africa in the south, Southeast Asia, and East Asia to the east and Central Asia to the north. As for South Asia, India already dominates this region. It would not be an exaggeration to say that India is located at the heart of Asia.

Apart from these global expectations, there are lot of domestic expectations from India. People belonging to the younger generation, who have grown up in a rising India, aspire for India to become a strong power. For too long India has been viewed as a 'potential' power. When will India actually realize that potential? India needs to take advantage of the opportunities and seize its destiny.

For this, to start with, India needs a vision. India's neighbourhood is most important, both from the economic and defence points of view. It is rightly believed that economics is the essential element of a country's strength. However, when it comes to our strategic neighbourhood and the great powers we cannot ignore the defence aspects, including our ability and willingness to project force. With the rest of the world, India's interests are essentially economic, and these must be assiduously pursued.

We must have a 'Dream.' The Chinese are always talking about the 'China Dream'. What is the 'India Dream'? What is India's grand strategic vision? Can India go it alone? Is India a 'swing' state? Should India have interest-based coalitions? Underpinning the 'India Dream' should be India's strategic autonomy. Throughout the history of post-independent India, India's leaders have sought to assert India's strategic autonomy, most notably in 1998, by declaring itself a nuclear power.

One handicap we face in preparing a coherent foreign policy vision is India's DNA, which is defensive and non-aggressive. However, India cannot separate itself from global developments nor is this in India's interest. The problem for India is that it is neither strong nor aggressive enough to be feared; nor is it small or weak enough to be manipulated. Therefore, the only option for India is to have an independent role in the world for which it needs to be bold. It is simply a question of survival. Let us also remember one fundamental principle: power is never given; it is always taken. India should not depend on any other country to 'help' make it a major power. India should build upon her own strength instead of trying to piggyback on another major power. Many factors will ensure India remains an independent player in world politics: its size, its anti-colonial tradition, its sense of pride, its achievements, and its self-belief.

Unfortunately, there is an impression that India is a weak country that can be manipulated and arm-twisted. It is imperative, therefore, that it works out a strategy that secures a place on the global high table. The prerequisite for such a change is strong and clear-headed leadership. That is why I think Mr. Modi is commanding so much popularity. There is a definite buzz around him because he is promising leadership. India needs to leverage its strengths, build the required institutional structures, and garner public support for policies. Thus, there is a need for public diplomacy.

One of Jawaharlal Nehru's strengths was that he reached out to people. He spoke extensively in Parliament, held regular and detailed press conferences, and frequently addressed public meetings. In addition, every fortnight, he used to write letters to the Chief Ministers in which he would share with them what he was doing and the problems before the country. He was not merely keeping them informed; he was also seeking their support and understanding for his policies. That was a very desirable and effective mechanism because Chief Ministers are generally looking into and are preoccupied with essentially the problems of their respective States and generally don't have time to look at the larger issues before the country. However, if every fortnight you get a letter from the Prime Minister, you feel involved. I think this is the same idea

that the BJP wants to take forward in the concept of 'Team India' as articulated in the BJP manifesto. We must also change our attitude – it cannot be '*chalta hai*.' This is one of our big weaknesses. Let us recognize it and do something about it.

As we move ahead, it is important to recognize and respect new stakeholders in foreign relations. As pointed out earlier, it is not just a handful of Government Ministries and Departments in New Delhi that are concerned with foreign policy. The roles of coalition partners, of States who have their own regional interests, business interests, media, NRIs and so on, are equally important. All these different interest groups have to be taken on board in the formulation of a consensual foreign policy.

### **The United States of America**

When it comes to India's relations with individual countries and regions, the USA is arguably India's most important relationship. India has huge stakes in good relations with the US. There are significant benefits in the areas of trade, investment and technology to be gained out of a good relationship with the USA. The two countries share common values. Both countries are open societies and democracies. The whole world recognises, as does India, that even though the USA may be a declining power, its comprehensive power is unmatched in most areas: military and space power, the size of its economy, the domination of global finance (banking and stock markets), cyber space, the influence over other countries including India's neighbours, etc. For all these reasons, a steady improvement of relations and engagement between India and the United States is desirable. India has done well to use the window of opportunity in the last decade and a half or so, starting with Mr. Vajpayee's NDA government and given new dynamism by the UPA government.

At the same time, despite many convergences between the two countries, there are limits to this partnership because India and the USA do not see eye to eye on many key issues, both bilateral and global. India's pharmaceutical industry is under pressure because of differences over intellectual property rights. Recently, there have also been divergences between the two countries on trade and environmental issues. There is the long-standing US containment policy towards India by using Pakistan and, of late, by trying to use even countries like Bangladesh. India and the USA continue to have policy differences on many key regional issues in South Asia, Afghanistan, Iran, and the Persian Gulf. More recently, the Americans have subtly suggested that India and the US have a common interest in containing China. India has

rightly stayed away because India has to live with China as a neighbour and it is neither possible nor desirable for India to enter into an open anti-China alliance with the USA which, moreover, does not support India on key issues involving India's territorial integrity.

Thus, India still has reasons to be wary of the USA. India must accept the reality that a very strong India does not suit the USA. The unfortunate Devyani Khobragade episode in 2013 revealed how the USA (or at least certain influential sections in the USA) regards India. The incident brought out a discernible arrogant contempt for India. There is also an inconsistent US interest in India. George W. Bush thought India was an important partner, but he turned a blind eye to Pakistan's policy of fomenting terrorism against India. Barack Obama talked of the India-US relations being, 'one of the defining 21st century partnerships' but India seems to have fallen off the US radar screen. Even as India looks to develop its ties with the USA, it must always be conscious of its limitations. India should also be on the lookout for counter pressure points that it has or can develop vis-à-vis the USA.

### **Russia**

Russia (and earlier the Soviet Union) has been a steadfast friend and partner of India. It is certainly a weaker player and no longer a superpower but, as the recent developments surrounding Crimea have shown, a country that should never be written off. Ours is indeed a very special and privileged partnership. Even as India embarks on making new friends in international relations, old friends should not be forgotten. Both, the Soviet Union and Russia have provided India with immense help in diverse fields like industrial development (steel plants at Bhilai and Bokaro), energy (ONGC), education (India's first IIT), space, atomic energy, defence equipment and so on. When India lacked money for investment in infrastructure projects, we got assistance from the Soviet Union. We benefited from Rupee trade with the Soviet Union at a time when India was short of foreign exchange. India received valuable political support from the Soviet Union on Kashmir, Goa, Sikkim and Bangladesh. India continues to get military hardware from Russia, including an aircraft carrier, nuclear submarines, and many other weapon systems and platforms that other countries will simply not offer at all. There is now growing cooperation in the energy sector. Russia is an emerging energy investment destination for India. Thus India gets vital support from Russia in key areas that it must reciprocate. At the same time it is neither ideology nor sentimentalism, but mutual interest that draws our two countries together.

But there are weaknesses in our relationship. Trade is low, people-to-people contacts limited. Language acts as a hindrance, and the lack of any influential lobby for closer India–Russia ties is a handicap.

### **The Neighbourhood**

A secure neighbourhood is critical because it affects India directly. Many states in India share borders with foreign countries. Coastal states like Andhra Pradesh, Kerala, and Tamil Nadu have deep maritime connections across the Bay of Bengal and the Arabian Sea.

India needs to strike a bargain with its neighbours. What matters to us is that they should do nothing that undermines India's security. In return, India has to give them economic benefits and a stake in India's growth and prosperity. India needs to be magnanimous and give assistance directed at projects that are seen to benefit recipient countries. Insulating itself from its neighbours is neither feasible nor desirable.

India imagines itself as the leader of South Asia. India does need to have a leadership role in South Asia – but this leadership must be earned. India has to find ways to deal with the identity crisis that many of its neighbours face because of the artificial political borders that have been created in South Asia. Contradictions arise from the multiple identities that our neighbours have. On the one hand they have their modern identities as sovereign countries that necessitate a certain distancing from India. On the other hand there is our shared history and culture, which is why their hearts beat to the same Bollywood tunes and there is a shared mania for cricket. Their food, music, and traditions, even their way of thinking, are similar to ours. India must engage with them more seriously and deeply. This is brought out in the contrast between the large number of visits that India's Prime Minister has paid to the West over the last decade with the remarkably few visits he has paid to neighbouring countries. Is it so difficult to visit our neighbours? Does every visit have to result in agreements and documents? Can't our political leaders hop across to our neighbouring countries for a chat over a cup of tea or a meal? Or perhaps combine talks with a pilgrimage? In addition to talking to them about bilateral issues, India should also talk to them about wider global issues on which they may benefit from our wider perspective and contacts. By doing this, we will ensure that they feel involved in, and have a better understanding of, India's foreign policy. This is what India does with most friendly countries around the world. Regrettably, so far we have had, inexplicably, a more formal and limited agenda of discussions.

India has to deal with its neighbours in a more subtle and sophisticated way. If India's image in the neighbourhood of being a 'big brother' or the 'ugly Indian' has to change, Indians must be mindful of our neighbours' concerns and sensitivities, and not be boorish, condescending or overbearing. Apart from political leaders and officials, ordinary people have an important role to play in this endeavour. India's neighbours depend on it for many things. With Nepal and Bhutan, India has open borders and Indian currency is legal tender in these countries. Millions of Nepalese live and work in India. Cattle-smuggling from India, as Bangladeshis candidly admit, is what ensures that Bangladesh is not a vegetarian country! With Sri Lanka, we should be building a land bridge to connect Sri Lanka to India, not the Sethusamundaram canal that has been under consideration. Another thing that should be understood clearly is that India's neighbours do not, and will never, love India. The trouble is that neither do they fear India enough. It would be enough if they learn to respect India. Our goal should be to have their respect, perhaps some admiration too, for India, and definitely some sensitivity to our red lines.

India cannot follow a 'one-size-fits-all' approach with its neighbours. Take Bhutan and the Maldives. They are small, vulnerable countries that are friendly to us. But India should not take them for granted. It has to respect their sensitivities and be generous to them. Then there are the middle sized countries, namely Sri Lanka, Bangladesh, Nepal, and Myanmar, roughly the size of Indian States. While giving them full respect as sovereign nations, let us adopt a non-reciprocal approach and treat them like Indian States from an economic perspective. India could give them incentives and subsidies as we do to our backward states and regions, involve their businessmen in India's economic growth, and try to co-opt their elites to be India's friends and partners. Then they might begin to see us as a generous not a bullying big brother. India has to similarly address its smaller neighbours. In general, India needs to be supportive of democratic regimes in these countries in the hope and expectation that governments that genuinely represent the interests of the people might take a more sober and less hostile attitude towards India. Democracy is also very infectious and the democratic winds from India blow easily across borders. Democracy is India's strength that India must utilize fully.

Finally, India has to deal with its hostile neighbours: Pakistan and China. Not only are they hostile and actively engaged in undermining India, they are also mutually collaborating in this endeavour.

### ***Pakistan***

Pakistan is India's most troublesome neighbour because of various reasons: its military and nuclear capabilities; its alliances with the USA, China and Saudi Arabia; and because it is as much a domestic as a foreign policy issue for India. Pakistan is not just any other state. It is a state that was created by a section of people who felt that they could not live in peace and harmony with the majority community in India. That's the reality. It has its separate ideology and faces a severe identity crisis. Many in Pakistan still nurture dreams of ruling India. They have the mentality of invaders. Take, for example, Pakistani missiles that have names like Ghaznavi, Ghauri, Abdali and Babur. It's amazing – and telling – that Pakistani missiles should be named after people who invaded and ravaged what is now Pakistan, but have now become the heroes of the Pakistani state! Do Pakistanis fancy themselves as invaders? Unfortunately, many in Pakistan do feel that as the Muslims had been ruling India for 700-800 years when the British came and took away their power, the British should have handed India back to the erstwhile rulers when they left India! They believe that the Pakistani flag should fly in Delhi. That is the mindset of a large section of the Pakistani ruling class. Admittedly, it is changing to some extent, but not sufficiently among those who matter in Pakistan.

Nearly every Indian Prime Minister has tried to be a peacemaker with Pakistan, but in vain. There was Jawaharlal Nehru who took Kashmir to the UN; Lal Bahadur Shastri who gave away the Haji Pir Pass after the 1965 War; Indira Gandhi who lost a great opportunity at Shimla; Inder Kumar Gujral with his '*jhappi*' (hug-and-embrace) diplomacy; Atal Bihari Vajpayee who legitimized Musharraf's transformation from the CEO to the President of Pakistan; and then Manmohan Singh who has held out numerous olive branches to Pakistan and dreamt of visiting his native village in Pakistan. Everyone tried but failed. What all this has done is to reinforce the Pakistani image of India as a flabby, ineffective giant. Pakistani agencies could mount an attack on Parliament but there was no effective response from India. They could do a 26/11 in Mumbai and still India does nothing; on the other hand there was the shameful Sharm-el-Sheikh statement a few months later. It is no one's case that India should not have a dialogue with Pakistan. But if with one hand we are having a handshake, with the other hand we must have a '*danda*' (stick). You can't rely only on a handshake with a weak hand.

Pakistanis have been indoctrinated to regard India as an enemy. Is there a change in this Pakistani view of India? There are some people in Pakistan

who realize that the real danger to Pakistan comes from within their own country and from the Afghanistan side, not from India. But there is an internal power struggle going on in Pakistan. There are uncertainties about the future direction of Pakistan and about what will happen in Afghanistan after the Americans withdraw their forces. India's benchmark should be how Pakistan tackles terrorism and what their attitude is on this issue. When a country is actively trying to undermine India, to weaken it, to split it, how can India have normal relations with that country? India also seems to have run out of levers because of the nuclear factor.

Perhaps we should use some non-military levers against Pakistan. One that comes to mind is the weapon of water. India should tell Pakistan that it wants to renegotiate the Indus Water Treaty of 1960 for the sake of the people of Jammu & Kashmir. Every political party and political figure in Jammu & Kashmir feels aggrieved that the people of the State have got a raw deal from the Indus Waters Treaty. They are right to some extent. Pakistan is constantly trying to prevent projects from coming up in Jammu and Kashmir that are permissible under the Indus Waters Treaty. Some disputes have been dragged by Pakistan to arbitration tribunals. Projects have been delayed. If Pakistan does not agree to renegotiate the Indus Waters Treaty then the loudly and repeatedly trumpeted Pakistani concern for the people of Jammu and Kashmir would be shown up as false and hollow.

The second prong of the strategy deals with the eastern rivers of the Indus basin – Ravi, Beas and Sutlej. India is entitled to 100 per cent usage of the waters of these rivers, but it is not utilizing them fully because there are intra-State differences within India, between Punjab, Haryana and Rajasthan. India has still not completed the construction of the Indira Gandhi Canal. However if the Indian Prime Minister were to simply make a statement that we will ensure that India fully uses the Indus waters as per its entitlements under the Indus Waters Treaty, and India can bring about just a five to ten percent drop in the water flow to Pakistan without violating the Indus Waters Treaty, it would create a serious problem for Pakistan. Some of these options have been considered. But politically, governments either did not think it wise or lacked the courage to go through with the plans.

### *China*

China, is India's biggest challenge because it is a growing power in Asia and the world. It is also India's neighbour. India needs to work with China in many areas, even as it competes with it in other respects. There is little

reason for India to trust China. At the same time, India must seek to build a non-hostile relationship with China in the long term. India's policy on China should follow multiple tracks. India has to identify China's weaknesses and exploit them, just as China is doing vis-à-vis India. China is constantly probing and testing India, as they did in the Depsang sector in Ladakh in 2013. India has to be prepared for more such tactics. The important thing is never to convey an impression of weakness, otherwise half the battle is lost.

Then there is the long-standing and vexed boundary dispute with China. For at least a decade or more, India has been talking about building infrastructure on our borders with China, but not much has actually been done. This work must be speeded up. We must invest more resources there, be more vigilant and settle more people in the border areas. India also needs to change its tactics. Chinese claims on Indian territory should be matched by counter claims and assertions. For instance, the Chinese claim Tawang because one of the Dalai Lamas was born there. India's counter-claim should be over Kailash and Manasarovar, which millions of Indians consider the abode of Lord Shiva and which has been visited by tens of thousands of Indians over the centuries without needing any Chinese visa to do so! The Chinese at times ignore the whole of Jammu and Kashmir while calculating the length of the India-China border. This should be countered with a calm Indian assertion that the Chinese are right since the Indian State of Jammu and Kashmir has a border with Xinjiang, not with China. India needs to be a bit aggressive in its approach in the negotiations. Even if India may eventually agree on a certain border alignment during the negotiations the claims have to go beyond that. India also has to be firm about the projects that China is undertaking in Pakistan-occupied-Kashmir (PoK), which India regards as its territory and therefore Chinese projects and assets there are legitimate targets.

The border dispute is unlikely to be decided quickly or easily because the public positions of the two sides have become so far apart, and the governments of both China and India have to deal with nationalistic feelings in their respective countries. Till a few years ago, the focus of discussions was on delineating the Line of Actual Control (LAC). Then in 2005 we agreed that instead of quibbling on legal and historical claims, there should be a political settlement of the dispute. An agreement on Political Parameters and Guiding Principles for settling the border question was signed, and it was India's expectation that it might be possible to resolve the border issue at an early date. But the Chinese have gone back on that agreement and their position has hardened. Under the circumstances, perhaps there is need to finesse the border issue. Sometimes there are situations where there can be no clear-cut resolution and

wisdom may lie in leaving matters as they are. Maybe the approach to follow is that both sides should once again go back to trying clarifying the Line of Actual Control. Once that is done, the two countries could look at the border not as a line but as a zone that unites countries rather than divides the two countries. One could look at border area projects, pilgrim corridors for Tawang and Kailash-Manasarovar as well as energy pipelines and communication links. If China can have a mega-project along the Karakoram Highway to Gwadar, it would be great if India can have something similar with China, with gas pipelines coming from Central Asia to India via Xinjiang and oil being sent from the Persian Gulf to China via India. That would hardwire India and China into mutual dependence. Of course, at the same time, India needs to build up its defence and deterrence capabilities, and to work with China's neighbours especially Japan, Vietnam and others who have problems with China.

Tibet is another big issue in India-China relations, one that is likely to get more complicated in a post-Dalai Lama scenario. There are two or three elements of the Tibet question. One is human rights. I think India should say to the Chinese that this is China's problem. If, as the Chinese claim, Tibet is a part of China, then they bear responsibility for the welfare of all Tibetans, be they in Tibet, India or elsewhere. It is up to China to create the conditions and give them the confidence so that they can go back to Tibet. The second issue is water, on which India has been talking to China for some time now. The waters of major rivers that rise in Tibet flow into many Asian countries. China's policies on Tibet's development and attempts to regulate or even divert these waters create a problem not just within China but also with many of China's neighbours. Just because China is controlling Tibet today, it does not mean that China has the right to control Tibet's river waters. Tibet is like a 'third pole.' It is like a global commons because there are at least a billion people or more who depend on the waters of the rivers that rise in Tibet such as the Indus, the Brahmaputra, the Sutlej, the Karnali, the Mekong, the Salween and China's own major rivers. Civilizations have developed and flourished because of the uninterrupted flow of the waters of these rivers. Now if today China is going to stop or reduce their flows, this will inevitably lead to serious conflict.

Finally, India has to deal with China at a psychological level. There is too much of a starry-eyed view of China's development and achievements. True, China has achieved a lot, but Indians should look for China's weaknesses too. Conversely, India should leverage its strengths. Indian civilization, particularly Buddhism, has greatly influenced Chinese thought and behaviour. India's

greatest strength is how it has managed to handle its diversity by engaging with people, by having an open and democratic system, a vibrant civil society, an independent judiciary and the rule of law. That is not the case in China. Indians are more flexible and innovative than the Chinese. China is more brittle than India. Indians have done well globally in the corporate and finance world because Indians think differently and have skills that the Chinese lack.

I have touched only some of the major issues in India's foreign policy and the challenges before it, rather than cover all aspects of India's foreign policy, in this brief presentation. Other issues can perhaps be covered in our interaction.

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