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## **Manmohan Singh-II: The Foreign Policy Challenges**

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Foreign policy did not appear to be a major issue for voters in India's 2009 parliamentary elections. However, it did indirectly shape the electoral outcome. The Left's stubborn position on the India-United States civil nuclear deal, stretched to the extent of almost pulling down the government, did dent its self-projected image of a constructive nationalist political force and contributed to its poll-drubbing. In contrast, the civil nuclear deal issue added to Prime Minister Manmohan Singh's image as a quiet but firm leader. After signing the deal, nuclear commercial transactions were concluded first with France, Russia and Kazakhstan rather than the United States. The United States intelligence assessments of India's foreign policy asserted that it will follow an independent path, collaborating with the United States only when India's own interests so dictate.

On another foreign policy issue of the ethnic conflict in Sri Lanka, the election outcome endorsed the voters' acceptance of the ruling United Progressive Alliance's (UPA) careful distinction between terrorism of the Liberation Tigers of Tamil Eelam (LTTE) and Sri Lankan Tamil's welfare and rights. The voters defeated all those extremist forces that went for political mobilisation in the name of the LTTE.

The second Manmohan Singh government (Manmohan-II) now has no Left hovering over it nor any other ally to dictate foreign policy priorities. The new Minister of External Affairs, S. M. Krishna, is a seasoned and suave politician. He is not much exposed to the intricacies of international politics but will learn them fast. His personality is such that he would be amenable to both the bureaucracy in his ministry as well as the Prime Minister's office. One may, therefore, expect a great deal of continuity in foreign policy, though there are challenges that need bold and innovative responses.

### **Turbulent Neighbourhood**

India's neighbourhood is turbulent. The emerging political and security situations in Sri Lanka, Nepal and Pakistan need urgent attention. Mr Krishna's initial remarks clearly reflect that too. Even before its formal assumption of office, the new government had to despatch the

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National Security Advisor, M. K. Narayanan, and Foreign Secretary, Shiv Shankar Menon, to Sri Lanka to size up the post-LTTE situation. There are nearly 300,000 internally-displaced Tamils in Sri Lanka as a result of the anti-LTTE war. The international community is strongly calling for the Tamils' immediate humanitarian support and long-term rehabilitation. India has been providing such support in bits and pieces. However, with the conclusion of the war, a massive, more focused and organised effort needs to be made. Equally important is the long-term question of resolving the Tamil ethnic issue politically. India failed to push the Mahinda Rajapaksa regime in this direction while the ethnic war was on. President Rajapaksa has made reassuring promises in this respect in his 'victory' address to the nation on 19 May 2009. However, there is an unfortunate history of a huge credibility gap in the promises and practices of Sinhalese establishments on the Tamil question.

Having subdued the military challenge, there is no room for a Tamil homeland concept in Colombo's scheme of things. The mindset of the people around President Rajapaksa is not very sensitive towards Tamil aspirations. The army chief, General Sarath Fonseka, and the Defence Secretary and President's brother, Gotabaya Rajapaksa, have repeatedly asserted that Sri Lanka is a Sinhala country though Tamils can live there, perhaps as second class citizens. President Rajapaksa delivered a stern message in his victory speech without naming India that no 'foreign formula' will be accepted to address the Tamil political issue. There is also no clarity on the nature of the devolution package to be offered to the Tamils to their satisfaction. Elections, as promised by President Rajapaksa, may be held in the north but it does not ensure that adequate rights will be transferred to the elected provincial council. An elected government was in place in Jaffna in 1990 under the Tamil leader, Vardharajah Perumal, but no powers were devolved to that government. There is an elected Tamil government in office in the eastern province since 2008 but ordinary Tamil and Muslim residents are still painfully restless.

India wields very little clout in this context to make the Rajapaksa regime evolve a political resolution of the ethnic issue to the satisfaction of the Tamils and Muslims in Sri Lanka. It will, therefore, have to be bold and innovative in this respect. One hopes that the resolve of the new Manmohan government to effectively engage with the Rajapaksa regime on the Tamil question is not weakened or diffused either under the lure of securing big rehabilitation and reconstruction projects or by the deft play of the China card by Colombo.

In Nepal, India has come under strong public rebuke and criticism for siding with controversial army chief against the Maoists and for pushing the Maoist government out. This was a sensitive internal political matter where India could have been well advised to keep a distance. While the methods of the Maoists in sacking the army chief were questionable, the substance of their charges against him was not. The principle of 'civilian supremacy' raised by the Maoists is unquestionable in any democratic order. Will India accept its own army chief defying and ridiculing a popularly-elected government, rightly or wrongly?

In the aftermath of the civil-military controversy, Indian diplomacy has been blamed for blessing the formation of a non-Maoist government which, in the long run, will make Nepal unstable. India is seen to have sided with a leader who lost in both the constituencies contested during the Constituent Assembly elections in April 2008. Nepal's pending issues of mainstreaming the Maoists, rehabilitating the conflict affected civilians and drafting an inclusive democratic constitution, including the issue of leadership, cannot be addressed without the Maoists' participation. The Maoists have emerged as the most popular force thus far, reinforced in their popular support by the results of the recently-held (April 2009) bi-

elections where they captured three of the six seats, leaving only one each to the other three major political parties.

It is unfortunate that Indian diplomacy has erred in making precipitate moves provoked by personal egos and by exaggerated fears that the Maoists have been facilitating growing Chinese influence in Nepal. The Maoists have made no direct offence to India's interests in Nepal. Even while chanting about their equal relationship with India and China rhetorically, they always reiterated that this equal relationship will be definitely tilted in favour of India. The Maoists' leader, Prachanda, personally explained to Mr Menon in January 2009 that the flooding of Chinese delegations to Nepal were uninvited. The Maoists assured India that the proposed new treaty of friendship will not be signed by China without clearing it with India. Even on the sacking of the army chief issue, the Maoists had taken India into confidence and solicited its understanding and support.

The new government in Delhi has to show ingenuity and courage to rectify these diplomatic slips and assure the Nepalese that India stands for popular aspirations and democratic institutions in Nepal. The pathology of the UPA's bitter experience with the domestic Left should not be a guide to dealing with the Maoists in Nepal. Prime Minister Singh has been fond of talking about 'out-of-the-box' solutions. He has to make firm initiatives to rid the foreign policy establishment of a 'traditional' mindset, particularly in relation to India's close neighbours. There is no viable alternative in Nepal except to build a broad-based political consensus in place of political polarisation aimed at isolating the Maoists.

Pakistan is caught in a crisis of its own creation. Its fight against the Taliban in the Swat valley deserves support and encouragement. In principle, it reiterates the Indian position and that of the international community that Pakistan has to fight with the homegrown terrorists and stop being a sanctuary for Al-Qaeda and its cohorts. The new Manmohan government can come forward and offer to help Pakistan in meeting the challenge of looking after more than 2.5 million Swat internally-displaced persons even if Pakistan finds it difficult to accept such an offer. India can also quietly and firmly assure Pakistan that it will not take any undue advantage of its internal predicament when Pakistan shifts its forces from the eastern borders. However, while making bold gestures towards Pakistan, India should carefully monitor the depth and extent of its neighbour's resolve to fight the internal terrorists till the end. Enough doubts are raised internationally, particularly in the United States, in this respect.

India's interests are particularly tied to the extent of this fight beyond Swat, against Pakistani *Jihadi* and extremist forces targeting India. Former United States Ambassador to India, Robert D. Blackwill, recently opined that the Pakistan army regarded Islamic terrorists as "an abiding policy instrument against India... These objectives are deep in the ISI's (Inter-Services Intelligence) DNA and there is no magic wand...that will make that hard fact disappear." There are many other United States officials and Indian observers who have expressed such views. India is also acutely aware of the fact that despite Pakistan President Asif Ali Zardari's assertion that India poses no threat to Pakistan, the country's security establishments persist in branding India as its principal 'enemy'. In India's assessment, Pakistan's nuclear security is breached as the extremists have obtained access to some of the nuclear facility. Prime Minister Singh was reported to have brought this to the notice of Washington.

India stopped the peace process and the comprehensive dialogue with Pakistan in the wake of terror attacks on Mumbai in November 2008. It even threatened to keep its military option

open. Partly, this strong rhetoric was driven by internal political considerations to keep the opposition off its back in the context of the parliamentary elections and deny the allegation that Prime Minister Singh's government was, in any way, soft on terrorism. However, now the Bharatiya Janata Party has been defeated and the charge of India being soft on terrorism has been rejected. The new government, therefore, can consider the initiative for constructive re-engagement with Pakistan if the latter is seen forthcoming in bringing the Mumbai terrorists to the book. Even before the formal swearing in of the government, India had forwarded all the necessary evidences to Pakistan in this respect. It was disclosed by Dr Singh during the election campaign that he was about to resolve major bilateral issues with Pakistan when it was, unfortunately, pushed into internal political turmoil, resulting in the ouster of President Pervez Musharraf. In his very first statement after his appointment, External Affairs Minister Krishna, said, "We stand ready to extend a hand of peace and friendship. But Pakistan must take credible action to dismantle (the) infrastructure of terrorism." There are strong persisting doubts in New Delhi about President Zardari's clout and capability to carry the army and the opposition together in addressing India's concerns. If the extremists manage to launch another Mumbai-like attack on India from their Pakistani bases, no one would be able to stop a serious deterioration in India-Pakistan relations.

India's security worries from Pakistan are more than that of cross-border terrorism. The generous United States' assistance flowing into Pakistan to fight the global war on terror is facilitating Pakistan's military build-up as well. The United States' sources have claimed that about US\$8 billion of the total assistance of US\$11 billion provided during the George W. Bush administration was diverted by Pakistan towards India-specific military acquisitions. Pakistan's access to drone technology and the acquisition of hi-tech helicopters are a cause of concern in the long run for India's own security. The United States' Institute of Science and International Security has produced satellite images showing the expansion of Pakistan nuclear programme and their assessment is that Pakistan is building more plutonium as well as uranium-based bombs. According to a Pakistani nuclear analyst, Zia Mian, the additional facilities may "allow them to make a lot more warheads...(and) much lighter and more complex weapons for longer-range missiles and cruise missiles... And triggers for thermonuclear weapons are almost always plutonium based." Even United States' President, Barack Obama, has expressed concern about Pakistan's growing nuclear activities and the possibility of nuclear materials falling into the hands of the terrorist/extremist groups. While encouraging the reopening of the dialogue process, India has to be well-prepared to meet the military challenge posed by Pakistan.

In addition to dealing with the specific hotspots, the new Indian government should pursue, more vigorously, its already defined agenda of building a cooperative neighbourhood. The proposals of connectivity and economic engagement will have to be pushed forward. Diplomatically, the initiatives of a shift in favour of more frequent and high-level contacts will have to be given further momentum. In the midst of lingering doubts and suspicions, there is a definite sprouting of hope and expectations in the neighbourhood towards a growing democratic India. The success of the new Manmohan government in neighbourhood diplomacy will depend upon constructively meeting those hopes and expectations. There are signs that the elements of the "Gujral Doctrine" to win over the neighbourhood are being reactivated. Prime Minister Singh's special envoy, Shyam Saran, was called in February 2009 to "consolidate pro-actively our (India's) economic interaction with our (its) neighbours, including through unilateral and asymmetric steps, if necessary". The new government will do well to reinforce and expand such "unilateral and asymmetric steps" towards the

neighbours even beyond 'economic interaction' to cover political and socio-cultural aspects of regional relations.

### **The Major Powers**

India's neighbourhood includes China as well but China is a major Asian and global power in its own right. As was noticed in the cases of Nepal and Sri Lanka, India's neighbourhood policy is, to a considerable extent, haunted by China. This is despite the phenomenal surge in Sino-Indian economic relations. China has emerged as India's strongest trading partner, with their bilateral trade fast reaching the US\$50 billion mark. Investment options between the two countries are also growing substantially. In its first term, the Manmohan Singh government had pursued the objective of vigorously building these relations with China. This momentum needs to be maintained. India and China can also work together to help the other Asian countries meet the pressures of the global economic downturn and even take initiatives to help the global economy come out of its present slump.

Though China is responsive to constructive economic engagement with India, it is becoming more strident, if not aggressive, on strategic matters. Its assertion of claims on Arunachal Pradesh went outside the bilateral context when, in April 2009, it vetoed an Indian request to the Asian Development Bank for infrastructure projects in that province. In the hope of concretising the G2 dominance in Asia, China proposed to the United States to look after the Pacific region, allowing a free hand to itself in the Indian Ocean area. The United States declined the proposal as that would have militated against the interests of its Asian allies and friends such as Japan, Australia and India.

China supports Pakistan's demand for a deal with the Nuclear Suppliers Group on the line of the India-United States civil nuclear cooperation. China has also reportedly secured the rights of emergency access to Sri Lanka's Hambantota port for its People's Liberation Army Navy. Sri Lanka also feels assured that China would not let any "war crime" or the "responsibility to protect" move to be made by the international community through the United Nations (UN) Security Council against Colombo in the context of its dealings with the estranged Tamils. China's growing support for the Rajapaksa regime, including in defence matters (China is the largest supplier of weapons to Sri Lanka), deterred western and Indian pressures to offer adequate devolution of powers to the Tamil community before the defeat of the LTTE. In the post-LTTE period, the Rajapaksa regime may also feel emboldened in not accommodating international and Indian concerns regarding the accommodation of the Tamil interests. China's growing interest in India's northern neighbours such as Bhutan and Nepal is already making New Delhi uneasy.

India has to reckon with the fact that South Asia constitutes China's soft-belly in its western region which is unstable and rebellious. China would, therefore, not relent in asserting and consolidating its presence in India's neighbourhood. The Indian government is to strike a strategic balance between continuing with confidence building and economic engagement with China on the one hand, and protecting its critical security interests in the Asian neighbourhood on the other. Such a balance has to rely upon India's own strength and resilience as not many other options are available. A section of India's strategic community has been pleading for the mobilisation of the Tibet card to strengthen New Delhi's bargaining position vis-à-vis Beijing. However, Dr Singh's earlier government refused to be swayed by this option even in the heat of controversy during the Olympic Games and Tibet revolt in 2007-08. In the emerging context of Asian strategic relations, even Dr Singh's second

government may not find this option viable, especially so if it wants to nudge the Chinese authorities towards an early and smooth resolution of the border issue. India is strengthening its strategic equations with the Asian majors such as Japan, South Korea and the Association of Southeast Asian Nations grouping. However, in this regard, China is also as active and pushing as much as it can afford to do so. Here again, a vibrant neighbourhood policy will yield rich dividends to India.

The launching and consolidation of India's strategic partnership with the United States during the Bush administration and the first Manmohan government certainly added weight to India in its relations with China as it alerted China towards new power equations in Asia. Under the Obama administration, there are creeping questions on the evolving nature of India-United States strategic partnership. A feeling has slowly started gaining ground in India that in the Obama administration's priorities, China and Pakistan are gaining ascendancy and India's concerns, if not completely overlooked, were not being adequately factored and appreciated. India's absence from the itinerary of the United States' Secretary of State, Hillary Clinton's first visit to Asia in February 2009, when allies and non-allies such as China, Japan, South Korea and Indonesia were covered, left New Delhi uncomfortable. At the G20 meeting in London in April 2009, President Obama paid considerable attention to Chinese President, Hu Jintao, and for good reasons because only China could be of substantial help to the United States in its coming out of the present economic difficulties. It was in this context that the concept of G2 was played upon by a number of European and Asian leaders. Dr Singh did have a one-on-one meeting with President Obama at the G20 conference but it did not carry much strategic significance. President Obama's pre-election observations, taking the Kashmir issue as an integral part of the war on terror involving Pakistan and Afghanistan, was strongly rejected in India. The prospects of the Obama administration's special envoy to Pakistan and Afghanistan also covering India and the Kashmir question was strongly resisted. India successfully hard-lobbied to keep Special Envoy Richard Holbrooke's mandate confined only to Pakistan and Afghanistan.

It is possible to argue that during the initial months, the lack of enthusiasm in the Obama administration towards India was on account of two factors – the unclear political situation in India because of the pending elections and the Bush administration's considerable warmth for Dr Singh's first government. Now with Dr Singh's second government assuming office, a brief review of India's place in the United States' strategy in Asia and South Asia (in the context of the AfPak strategy) may be in order in Washington. India understands the dependence of the global war on terror on Pakistan and accordingly the compulsions of the United States to keep Pakistan as an ally in this war. It, therefore, has no problem with the assistance, both economic and military, being provided to Pakistan to nurse this alliance and secure Pakistan's commitment to eliminating terrorism from the region. The problem in India's perception arises on two counts; the first to ensure that Pakistan is sincere and firm in this commitment; and secondly, the help provided to Pakistan does not impinge adversely on India's immediate and long-term security concerns. India requires firm assurances from the Obama administration in these respects and wants the United States to fix parameters of Pakistan's accountability that the United States' and international support provided to Pakistan will be used for the purposes of such assistance. India has welcomed the insertion of a conditionality in the United States' legislation for assistance to Pakistan that, "the use of its territory for terrorism against (its) neighbours will be desisted", though the India-specific reference was dropped.

India is uncomfortable with the Obama administration's voices on non-proliferation and its demand for India to sign the Comprehensive Test Ban Treaty and enter the Non-Proliferation Treaty regime. An editorial in the pro-Democrat paper, *The New York Times*, on 19 May 2009 was read with alarm in New Delhi for its advice to India to initiate arms control talks with China and Pakistan, and "declare its intention to stop producing nuclear weapons fuel even before a proposed multinational treaty is negotiated." If the Obama administration moves on these lines, India-United States strategic partnership will be seriously damaged. The challenge before Dr Singh's government is to bring the Obama administration to understand and appreciate the inherent long-term mutual advantages of this partnership. India is a strong and stable democratic force in Asia which is willing and capable of contributing to the stability of the whole region. The Obama administration needs to grasp the thrust of the Asia Society Task Force Report (January 2009) which underlines that "India matters to virtually every major foreign policy issue that will confront the United States in the years ahead."

### **Economic and Regional Issues**

The challenges posed by China and the United States have to be met while firming up India's engagement with the rest of the world. Pan-regional groupings in which India is an active member like the Brazil-Russia-India-China (BRIC) and the India-Brazil-South Africa groupings must be pursued vigorously. It is good that Prime Minister Singh will be attending the BRIC Summit in Russia in June 2009. Russia also continues to be India's major defence partner. India's engagement with Iran had been restrained in deference to the sensitivities of the Bush administration. Since the Obama administration has a radically different approach towards Iran, India should shed its restraints and move to build a dynamic and mutually-advantageous partnership with Iran. There is also a need for India to step up its participation in the Shanghai Cooperation Organisation to facilitate and support its engagement with the Central Asian republics. Greater and constructive engagement with Iran and Central Asia will enhance India's standing in the turbulent Islamic world. The first Manmohan Singh government had not succeeded in its moves to reform global governance but that is no reason to give up on the initiatives such as the restructuring of UN Security Council and other organs, and also to streamline international financial institutions such as the World Bank and the International Monetary Fund.

There are glimmers of hope that the global economic slowdown has at least been halted, if not reversed. The Indian economy has considerable dynamism to continue to grow. Concerted domestic reforms in infrastructure, the financial sector, corporate governance and economic administration will sustain India's growth dynamism. The new Manmohan Singh government has no internal political constraints in carrying out these reforms to help boost, not only its own economic performance, but also to help others fight the pangs of the downturn in the global economy. For a meaningful foreign policy projection, India needs to shed its inertia and stereotypes. Dr Singh may not have another term to make his mark on India's policy spectrum, as the young leadership in India is waiting in the wings.

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