ISAS Working Paper

No. 130 - 26 August 2011

469A Bukit Timah Road #07-01, Tower Block, Singapore 259770 Tel: 6516 6179 / 6516 4239 Fax: 6776 7505 / 6314 5447 Email: isassec@nus.edu.sg Website: www.isas.nus.edu.sg





An Outsider's View of Some Issues in Contemporary Indian Foreign Policy

David M. Malone¹

Abstract

Anand Giridharadas wrote in 2009 that India is 'a country harder to describe than to explain, and easier to explain than to understand', and that 'India is a place for seeking, not concluding'.² This is a profoundly true but also humbling observation for a non-Indian author addressing a topic such as Indian foreign policy.

Some History as Prologue

Foreign policy formulation requires a conciliation of ends and means conditioned by the specifics of the country involved and of the wider international situation at any given time. It draws on history, geography, economic performance, regional and global ambition, and many other factors. It is much easier to analyse at the remove of several decades. Thus, foreign policy during India's first four decades is more readily captured than its current directions, which are subject to much white noise.

Independent India's early foreign policy, nearly completely dominated by Prime Minister Jawaharlal Nehru, sought to create some margin of manoeuvre for the new state facing challenges to national cohesion and struggling with abject poverty. Nehru believed it was

¹ Mr David Malone is President of the International Development Research Centre. He is Canada's former High Commissioner to India, and former Canadian Ambassador to the United Nations. He is the author of 'Does the Elephant Dance? Contemporary Indian Foreign Policy, published by Oxford University Press. He can be contacted at dmalone@idrc.ca. The views expressed are those of the author and do not necessarily reflect those of the institute.

² Anand Giridharadas, 'Once-Clear Thoughts Are Clouded', *International Herald Tribune* (19 June 2009).

essential for India to maintain a healthy distance from power politics and the bloc rivalry that was soon to crystallise into the East-West Cold War. With hindsight of 60 years, this still seems the best choice at the time. Thus, for India, the non-aligned stance was essentially a defensive posture.

India's policy was resented in the West, which, driven by the assumption that any democracy worthy of the concept should align accordingly, indulged quite frequently in bullying tactics towards New Delhi (while also assisting it economically, particularly with food aid). Russia was eventually able to acquire India as an ally, virtually by default, through a largely non-ideological posture, with patience over Indian rhetorical flourishes, and driven by a realist appreciation that India mattered in the balance of power in Asia. Indian needling of the West, particularly of the United States (US), the fruit of its anti-imperialist sentiment, and the high-minded nature of much Indian speech-making at the United Nations (UN) and elsewhere, was congruent with its eventual alliance with Moscow, but the latter was unable to assist India much with several of its pressing needs.

Western envoys in India, including Alva Myrdal, John Kenneth Galbraith, Walter Crocker and Escott Reid, while deploring New Delhi's propensity for doublespeak and morally charged grandstanding, did their best to explain India to their capitals during the 1950s and 1960s, but few were receptive back home. Octavio Paz, the great Mexican writer and poet, and his country's ambassador to India between 1962 and 1968, adopted a more philosophical tone in his elegant and rich essays on India.

Although foreign and defence policies may not have been Nehru's strongest suit, competing as they did with often much more urgent domestic challenges, much of his foreign policy writing makes for compelling reading today. It was more in the application of his principles than in their formulation that he stumbled. This was particularly the case towards the end of his life, as India's options grew more constrained. However, the mistakes he made in foreign as in domestic policy do not, in my view, diminish his greatness overall, which seems to me more evident with each passing decade.

India was no natural ally of the Soviet Union. Indeed, many in India's foreign policy establishment viewed the prospect of New Delhi's alignment with Moscow with distress. India's concerns over Washington's systematic support of Pakistan and also its reservations over an unbridled capitalist economic model were misunderstood or rejected outright by Washington and by some others in the West. New Delhi's impatience with the obtuse insistence of Portugal, under a military dictatorship coddled by Washington, to hold on to Goa until 1961, was a factor, especially as Western powers at the UN defended Portugal on narrow legal grounds (akin to India's own hypocrisies over Hungary). India backed into its largely unprofitable alliance with Moscow in part due to Western condescension. Indira Gandhi's autocratic nature also fit better with Moscow's ordered view of domestic governance than it did with Washington's. Finally, the readily outstretched hand of friendship

from Moscow helped. But the implosion of the Soviet Union in late 1990 put paid to the Indo-Soviet alliance.

Independent India, from the outset perceived the need for global reach. Indeed, spurred by decolonisation elsewhere, it established a global diplomatic footprint few others had rivalled. It also made its mark in the multilateral sphere, participating with rhetorical brilliance in the major international debates of the Cold War era, and contributing meaningfully to the UN's capacity through its frequent provision of military and civilian peacekeepers.

Yet, in the absence of widely appreciated economic and social achievements, and with its military might mostly applied to internal conflicts and those in its immediate periphery, it was viewed as a cantor of the non-aligned countries, but not always a very committed or convincing one given its own great power entanglements. After the Berlin Wall fell, non-alignment became irrelevant, much Western aid was diverted to Eastern Europe, and India's barter trade with Russia suffered.

Fortunately, the sudden end of the Cold War coincided with other tectonic shifts affecting India: the conclusion of the Indira Gandhi years; the mildly positive but largely inconclusive results of the tentative economic reforms of Rajiv Gandhi's years in power; and, above all, the balance of payments and exchange rate crisis of 1990-91. It was the bold reforms instituted to counter the crisis, and their positive outcomes, that brought about a profound reassessment of India's significance and potential internationally.

In spite of parliamentary turbulence in 1989-91, a sense took hold internationally of India's growing political maturity and the lasting nature of its democracy, the country's institutions having survived the misguided emergency rule of Mrs Gandhi in 1975-77, and the assassinations of both Indira and Rajiv Gandhi.

India's Foreign Policy Today

India is not primarily outward-oriented. Goings-on within India could readily absorb the sum total of attention Indians devote to public affairs. But today, India is reaching out: its private sector is doing so aggressively, carving out markets for itself globally, investing widely, and subsuming industrial and service icons of other regions. Indeed the frustrations of corporate India are more likely to focus on the business conditions and domestic barriers to effective inward investment that it must endure within India, as steel magnate Lakshmi Mittal (of Arcelor-Mittal) and Ratan Tata, leader of the Tata conglomerate, often emphasise with asperity.

With the emergence of the Group of twenty leaders in 2008 as a key assembly of significant countries, India was offered an opportunity to play a major global role. Even earlier, it had

joined Brazil, China, Mexico and South Africa as a 'dialogue partner' of the Group of Eight, the forum for policy discussion among leading industrialised countries. In the G-20, they were not only equals, they clearly mattered more than a number of the traditional Western participants in economic global discussions.

Key Positive Elements of Change

Thus, it was India's economic significance that lent weight to the country's international profile (while its nuclear status served both as an asset and as a drawback during its period of 'emergence' as of the mid-1990s). And because of its economic rise and new value to the US as a commercial and potentially geo-strategic partner, in 2008, India escaped from the partial international purdah into which its 1974 nuclear test had consigned it thanks to multilateral acceptance of its nuclear cooperation agreement with the US, turning a page on frequently contentious relations of the past. This shift, in my view, represents a victory for both sides.

While some in India still worry that it could abdicate its freedom of manoeuvre and side with the US reflexively in international affairs, this seems far-fetched to an outside observer. A more realistic concern is that Washington will not always understand India's inability to agree with it, creating a perception of New Delhi as a false friend. But even these anxieties seem ill-founded, rooted as they are in fears arising from the past rather than the possibilities of the future. The US today needs to court Indian support on a range of issues, just as India values American support in tackling many of its own challenges. And Indians are reassured, in this relationship, to know that the brief unipolar moment has largely passed, allowing for more balanced links with key partners.

It is not unreasonable to anticipate a large degree of mutual accommodation, however frustrated each capital may be at times with the other on individual files. US demand for information technology and other services has been extremely helpful to India, and India's capacity to absorb American exports has greatly strengthened American commerce (at a time when much militates against continued unfettered global US economic dominance).

Although each country will seek to improve and manage its relations with China separately, their challenges in doing so will likely draw them together at times. The outcome of the US-led Western military intervention in Afghanistan, and developments in Pakistan, will influence the tone and content of US-India ties in ways that are unknowable today, but that need not undermine a bilateral relationship that is now more mature and should be mutually confident. The generally steady approach of China to relations with Washington may deserve more attention in India than it receives, as pointed out by former Indian Foreign Secretary Maharajakrishna Rasgotra.³ China's relationship with the US need create no anxiety in India, and might best be viewed in terms of future opportunities.

³ Maharajakrishna Rasgotra, 'Foreign policy must meet the needs of the 21st century', *The Tribune* (Chandigarh), *India at Sixty* – Special Supplement, 15 August 2007.

India's improved relationship with Washington complements its 'Look East Policy', launched in the early 1990s to increase its engagement with Asia, and greatly intensified since the turn of the century with some success.⁴ With China's rise not recently being seen as particularly harmonious by all of its neighbours, for example, Vietnam with which Beijing has clashed in the past and with which it entertains a continuing dispute over the Paracel and Spratly islands, a growing Indian role in Asia and a continuing US projection there of its strategic power, will reassure a number of Southeast Asian countries. A brief but sharp clash between China and Japan in 2010 over fishing rights in the Senkaku/Diaoyu islands unsettled China's Asian neighbours beyond Japan much more than it likely intended.

For the US, its newly improved relationship with New Delhi does not make Washington an 'ally' in the classic military sense (although military cooperation is likely to intensify) and for Indians, it does not make the US a South Asian power. The US will want to avoid presuming on the relationship, particularly given India's sometimes prickly diplomatic personality. New Delhi, meanwhile, must accept that India is not always at the centre of Washington's concerns and refrain from interpreting its every international move and statement as a comment on the US relationship with India. It also needs to accept as a given Pakistan's historically rooted ability to play Washington as a violin at times, extracting from that relationship much more than Islamabad contributes.

Continuing Challenges

Manmohan Singh has doubtless been right repeatedly to describe India's Maoist, Naxalite insurgency involving up to a third of the country's districts with greater or lesser severity, as the greatest challenge to India's security today. However, there is no evidence of foreign involvement in fuelling this insurgency, so, while it affects India's image somewhat, it hardly impacts on its foreign policy.⁵ Support for it from local, often tribal, populations derives from poverty, and its resolution is unlikely to be secured by traditional counter-insurgency tactics. Rather economic development of the regions involved holds the key to eliminating the threat.

Relations with Pakistan remain vexed, in spite of recent efforts by Prime Ministers Atal Bihari Vajpayee and Manmohan Singh, and at different times several Pakistani leaders, to move beyond a state of mutual allergic reaction. While India's effort in recent years not to allow individual incidents linked to Pakistan directly or indirectly drive its policy, domestic reactions to future events could cause Pakistan to consume a lot of India's foreign policy

⁴ See Archana Pandya and David M. Malone, 'India's Asia Policy: A Late Look East', *ISAS Special Report* No.2 (25 August 2010), www.isas.nus.edu.sg/Attachments/PublisherAttachment/ISAS_Special_Report_02_____ Email_-_India's_Asia_Policy_-_A_Late_Look_East_26082010093309.pdf. Accessed on 28 June 2011.

⁵ While there had been concern that Nepal's Maoist insurgency might be supporting Naxalite elements by supplying weapons and in other ways, since the Nepali Maoist leadership renounced violence and joined elective politics in 2006, the Naxalite phenomenon is widely understood within India to be homegrown.

bandwidth. This is particularly so as today friction extends well beyond Kashmir and individual terrorist acts to include India's reconstruction programme in Afghanistan and suggestions from Islamabad that India might be contributing to undermining Pakistani cohesion through support of nationalist elements in Baluchistan.

Contrary to some foreign perceptions, India does not actually much fear a nuclear war with Pakistan. Pakistan would have everything to lose in such a dire eventuality and, as pointed out by G. Parthasarathy, has been more prudent in arrangements for the storage and maintenance of its nuclear arsenal than is widely supposed.⁶ But India's resilience to provocation is not infinite. M. J. Akbar notes: 'The calmative effect of common sense can, under pressure, surrender to anger. The present stalemate has the potential of becoming toxic as other options fail.'⁷

Yashwant Sinha advocates a two-pronged approach given the current deadlock in the relationship: ignoring Pakistan and equipping India in such a way as to be less vulnerable to terrorist attacks. The restraint displayed by India following both Kargil and 26/11 is a sign of a vibrant democracy breeding self-confidence, versus a less democratic and less self-confident neighbour.⁸ Mr Sinha's proposed strategy suggests that India can insulate itself successfully from Pakistan. Currently, this seems unlikely. Thus, attempts to seek an accommodation with Pakistan are likely to continue (and to be strongly supported internationally).

Meanwhile, more pressing for both India and Pakistan are other challenges they face. Shiv Shankar Menon, while out of office in 2009, suggested:

Pakistan has allowed an obsession with India and Afghanistan to destroy its own polity and internal balance. India must not allow an obsession with Pakistan to do the same to its foreign and domestic policies. For India (and, I dare say, Pakistan as well though to a lesser extent) the real issues are elsewhere. India's overriding task is her own domestic transformation, as is Pakistan's.⁹

Overall, India's twin instincts of seeking to improve relationships within its own region while simultaneously seeking to exert influence well beyond South Asia are sound. It can and should work harder to persuade its neighbours that it wants them to benefit from India's strong economic growth. It is in India's interest to be generous to countries on its periphery in this regard (just as, on balance, it is in India's interest, as the stronger party, to offer generous gestures to Pakistan if only to improve the overall dynamic). This is particularly so as some

⁶ G. Parthasarathy, 'Afpak for Dummies: A Primer', *World Affairs*, Vol.172 No.3 (January/February 2010), p.72.

⁷ Correspondence with the author (18 April 2010).

⁸ Interview with the author (February 2010) and correspondence (23 March 2010).

⁹ Shiv Shankar Menon, 'Hostile Relations India's Pakistan dilemma', *Harvard International Review* (22 September 2009).

countries in the region, for example Bangladesh under the leadership of Sheikh Hasina since 2009, seem to understand that prospects for their own prosperity are strongly linked to those in India.

Difficult relations with China are also a constant, at least from the 1950s onward.¹⁰ Were China mired in backwardness and failure, Indians would probably not obsess about the bilateral relationship so much. But China's economic success, its growing ease in international relations, its advantageous position as a permanent member of the UN Security Council, and its increasing self-confidence (or, depending on one's view, controlled arrogance) rankle Indians tremendously. While China's presumed brittleness stemming from its totalitarian political system gives its Indian rivals some comfort, and while India's democracy provides its society with political shock-absorbers that China does not possess, most Indians recognise the significance of China's economic success, not only preceding that of India and exceeding it in extent – but also with the gap between them compounding every year. Further, the nature of India's polity, the frequent sensationalism of its free press, and the plethora of its public voices often lead India to overreact to developments that China's highly controlled system can tackle more subtly (however sharp Beijing can decide to sound, on occasion). Reflecting on the unequal state of the relationship, Jaswant Singh argues that, when push comes to shove with its rival: 'China can deliver government far more efficiently than either India or the USA.¹¹

Informed Indians worry about India's access to natural resources and energy in other parts of the developing world, including Africa.¹² India has longstanding trade links with Africa and Indian communities have for several centuries dotted the African coast, with large numbers in East and South Africa. Some Indians consider that China's determined push into Africa, particularly in countries endowed with natural resources, should be emulated by New Delhi. However, worries about China crowding out India in Africa may be misplaced. For one thing, China's African ventures, however much dressed up in diplomatic niceties, are clearly above all a business proposition, and the Chinese modus operandi (relying on home base for most inputs, including often labour) will not make them many friends in Africa beyond the self-interested elites. China's useful and generous offer of scholarships to Chinese universities, on the other hand, may. India need not replicate all of China's strategies and actions in Africa. Rather, it should identify and reinforce approaches that continue to serve its own interests in its own ways, leaving sometimes risky economic decisions in the hands of its capable private sector whenever possible.

One melancholy shift affecting India's international relations in slow motion has been the decline in relative terms of its relations with Europe. Russia will remain a trusted interlocutor, if only out of habit. Economic relations can be conducted unsentimentally on the basis of

¹⁰ See A. G. Noorani, *The India-China Boundary Problem* (New Delhi: Oxford University Press, 2011), pp.219-232.

¹¹ Interview (January 2010) and correspondence (18 February 2010).

¹² See John Cherian, 'Grabbing Africa', *Frontline* (7 May 2010).

mutual interest. But the parties are definitely out of love, if they were ever smitten. As for the European Union (EU), in spite of the extent of its economic and investment ties to India, impetus is deflating gently, while its leading member states vie with one another for New Delhi's ear and contracts. The EU as an institution with a formal mandate to speak for its member states has in recent years, in spite of the ratification in 2009 of the Lisbon Treaty, largely been ignored by countries such as India and China except in the realm of multilateral trade negotiations. On other issues, Beijing and New Delhi mostly conduct business with the leading European capitals which, conveniently, can be played off against one another. It is in Asia that the hollowness of much European rhetoric about unity and integration is most noticeable. Asians have no particular stake in the EU's success and feel no need to pay it unwarranted tribute. That said, the United Kingdom (UK), France and Germany (the former two were colonial powers in India prior to its independence) have each forged distinctive, meaningful relationships with New Delhi (see all others) at the economic level, with the UK and France also seen as security partners and sources of defence procurement.

Largely unnoticed by the rest of the world, India's attention on the Middle East has paid significant dividends. Many reasons might be adduced for this: ancient and meaningful ties through cultural, dynastic and other forms of migration; a reluctance to yield influence in the heart of the Islamic world to Pakistan; a desire to accommodate its own large Muslim community by cultivating a region to which it might be assumed to relate (although, beyond the Haj to Mecca, it is not clear how much Indian Muslims care about the Arab world); longstanding trade relations with the region; Indian requirements for energy supplies; and an attempt to ensure the welfare of India's large diaspora in the Persian Gulf. Nevertheless, this traditionally inhospitable terrain for the diplomacy of non-regional actors has yielded highly successful results for India. India has worked hard on maintaining civil ties with Iran even though it has voted against that country's apparent nuclear ambitions within the UN system. And recently, it has placed new emphasis on its links with Saudi Arabia (while also tending to a highly substantive defence procurement relationship with Israel). But with the Arab world in ferment, as it was during the 1950s, India will need to remain nimble in responding to popular sentiment there while protecting its economic interests and those of its migrant workers, as events in Libya in early 2011 demonstrated.¹³

¹³ When India was newly elected to the UN Security Council, it was required to take a position on two seminal council resolutions in addressing the civil strife in Libya, joining all others in referring allegations of human rights abuses by the Libyan leadership to the International Criminal Court. While later abstaining with four others, including China and Russia, on the creation and enforcement of a no-fly zone over the country designed to protect rebel forces against reprisals by the government.

Multilateral Diplomacy

Indians generally cleave to engagement with others, and this works wonders at the bilateral level, where the parameters of national interests are perhaps most clearly defined on both sides. In bilateral diplomacy, India has made many friends. Multilaterally, however, while generating for itself a reputation as a country that always needs to be contended with, India has achieved less to date.

Multilateral relations, often thought of in India as the country's diplomatic strong suit during the heyday of the Cold War, are today more controversial. Where India has performed very well is in financial diplomacy, in forums such as the G-20, at the World Bank and at the International Monetary Fund (IMF), where it engages with global challenges and trends on merit.

Indeed, the competence in this realm of many Indian officials and scholars, as exemplified on these issues by the quietly assured Prime Minister Manmohan Singh, is widely recognised and appreciated.

However, New Delhi's negotiating style too often exhibits no 'give' while rarely hesitating to communicate non-negotiable principles and demands. Edward Luce, a generally fond and an acute observer of India, notes: 'It would be tempting to conclude that India is rising in spite of its diplomacy.'¹⁴

The impatience of India to increase its formal role (as opposed to its substantive profile) in a number of international bodies, including the UN Security Council and through greater voting rights in the IMF, has bumped up against the interests of others and, at the IMF, the gross over-weighting of Europe. Entertainingly, Martin Wolf suggests that 'exhausted by the burden of its pretensions, the UK should soon offer its seat [on the Security Council] . . . to its former colony'.¹⁵

On these institutional issues, the US is likely to be India's greatest ally over time. China was careful not to challenge overtly India's candidacy for a permanent seat on the UN Security Council, instead turning all of its ire on Japan, one of India's three partners in its quest to increase the number of permanent seats in 2005. China continues to subscribe to alliances of convenience with India multilaterally where their interests largely coincide, as in 2009 on climate change. However, these alliances are probably unstable because of their very different styles of national decision-making and diplomacy, and the greater weight of China in the world. Nevertheless, China is unlikely systematically to frustrate India's rise to greater prominence at the various high tables of international diplomacy because it has more vital interests to promote and protect.

¹⁴ Edward Luce, *In Spite of the Gods: The Strange Rise of Modern India* (London: Abacus Books, 2007), p.288.

¹⁵ Martin Wolf, 'India's elephant charges on through the economic crisis', *Financial Times* (3 March 2010).

Thus, for India, time and its generally prudent policy stance are its greatest assets in attaining its aspirations for international recognition, as exemplified by the emergence of the G-20 at leader level in 2008, and Dr Singh's prominent role therein. This could be hastened by a creative (and cost-free) Indian offer to sign on to the Non-Proliferation Treaty if it can negotiate terms that place it on an equal footing with the existing five legitimate nuclear-weapon states under the treaty framework (as presaged in a statement by India's prime minister on 29 November 2009).¹⁶ The path for this step could be paved by Indian signature of the Comprehensive Test Ban Treaty (CTBT), which its public pronouncements and new arrangements with the International Atomic Energy Agency (IAEA) and the Nuclear Suppliers Group suggest is no longer in conflict with Indian policy. However, India's security establishment is dead set against Indian involvement in a set of treaty obligations it has long seen as discriminatory.

What Kind of a Power will India be?

Srinath Raghavan points out that scholarly analysts 'want behaviour to be guided by general principle, and they place a high premium on consistency'.¹⁷ Scholars today are sometimes confounded to conclude, as did George Tanham in 1992, that India has no grand plan, no strategic vision for its foreign policy.¹⁸

For a long time, India was able to cloak its interest-based short-term decisions governing its international relations in pronouncements setting itself on a high moral plane above the hard calculus of the Cold War's reductive struggle between opposing ideologies. In fact, Nehru improvised thoughtfully and with considerable flexibility as foreign policy challenges claimed his attention, mostly by lucidly assessing the scope of action afforded by available means to shape India's often shifting ends. Indira Gandhi also improvised, but found her margin of manoeuvre constricted by circumstances and some of her own mistakes. Non-alignment did not represent much of an ideology, but it allowed India (and many others, each interpreting the concept in its own way) to multiply its options. Sociologist Dipankar Gupta notes: 'Much of what India does in terms of diplomacy actually depends on a peculiar combination of memories of hurt and the desire to be recognised. That is why we are usually reacting to issues and rarely ever setting the stage, or the terms of reference for international relations. There is more "tactic" than "strategy". Indeed, the Indian foreign office's long institutional memory may keep it from thinking imaginatively.¹⁹

The cacophony of Indian debate, the frequent contradictions in Indian official pronouncements, and the wealth and diversity of Indian commentary defy easy

¹⁶ See M. Vidyasagar in 'A Nuclear Power by any name', *Pragati* (1 January 2010).

¹⁷ Srinath Raghavan, 'Virtues of being vague', *The Asian Age* (8 January 2010).

¹⁸ See George K. Tanham, Indian Strategic Thought: An Interpretive Essay (Santa Monica: Rand, 1992).

¹⁹ Correspondence with the author (3 May 2010).

generalisations about either strategic thought or its close cousin, wider foreign policy. This bothers few Indian practitioners: the country's foreign policy is not formulated for the convenience of analysts or of armchair strategists.

And is the lack of a clear framework necessarily a bad thing for India? Not necessarily. Efforts by political leaders the world over to lay out their distinct foreign policy orientations invariably wind up being torpedoed by unexpected events, insufficient resources, short attention spans and frequently embarrassing incompetence at many levels of government. This was the case for both US Presidents Clinton and George W. Bush. Zubin Mehta comments on the discrepancy between grand strategies and the instruments available to states in order to achieve them: 'The strategy is often determined by assumptions about their own power – in reality the power of power is often overestimated. In this sense grand strategy can be more a potentially illusory statement of objectives, than a feasible plan of action.'²⁰

Efforts to lay out in great detail a compendium of objectives, policies and proposed actions in 'foreign policy reviews' and in 'white papers' in Western countries invariably pall within months as fantasy meets hard reality. As time passes, there is generally a wide gulf between stated intent and actual performance.

The Neighbourhood

India's global role remains constrained by its unsatisfactory regional dispensation. The violent end of British Imperial India vielded enduring and corrosive divisions that the region has not yet fully learned to live with, and on which India has, by and large, failed to lead imaginatively or strongly. Most Indian prime ministers have inclined more towards domestic consensus-building than bold regional initiatives. As it seeks to reach beyond its own region, an emergence welcomed by most of the world, it runs the risk of leaving its own neighbourhood an orphan lacking for vision and leadership, a risk that is greater insofar as its neighbours are all too often hostile. Actively undermining creative approaches to the region has been India's dynamic, knowledgeable, but deeply conservative security establishment. In any event, as Christophe Jaffrelot comments: 'India's aspiration to be recognised as a global player is not only due to an obvious pull factor, global power, but also to a push factor, that of escaping its region, South Asia, where it is surrounded by quasi-failed states, civil war-torn countries, guerrilla-plagued societies and overtly antagonistic governments which tend to join hands against New Delhi, making SAARC (South Asian Association for Regional Cooperation) a non-functioning entity. But neither Pakistan, nor Nepal will allow India to ignore them.²¹

India traditionally has been averse to outside intervention in the region, but it has become more flexible in recent years, reluctantly accepting an active if limited UN political role in

²⁰ Correspondence with the author (6 April 2010).

²¹ Correspondence with the author (20 June 2010).

Nepal's complex domestic affairs, and essentially welcoming US and NATO (North Atlantic Treaty Organization) involvement in Afghanistan. On Afghanistan, New Delhi radiates apprehension. It worries that, in Afghanistan, Pakistan may get the better of the US, pocketing its financial and military aid while undermining any prospect of a genuinely independent government in Kabul. On Pakistan, it understands that a failed state is not in its own interests but fears a stronger hostile neighbour (even though a stronger, more confident Pakistan might be more readily able to settle its differences with India). Despite Pakistan's provocations, it would doubtless serve India well to reach out, explain itself better to Pakistanis, and take more of the 'risks for peace' of which past leaders in the Middle East used to speak. If India were to do so, perhaps Washington would be more inclined to spend its ultimately limited capital in Islamabad by pressing that capital to meet New Delhi halfway.

Significant forces favouring inertia are at play. Few politicians publicly advocate accommodation of Pakistan in any concrete form (although some do so in private). Further, the standoff between the two countries benefits a number of state actors in Pakistan, notably the armed forces and the intelligence community. Dialogue between the two countries, which is often interrupted by security incidents, should be structured in such a way that it is mostly insulated from incidents of terrorism or other serious 'bumps in the road', rendering it, in the words of Mani Shankar Aiyar, 'uninterrupted and uninterruptable'.²² Easier said than done, given political pressures and intermittent policy leadership in both countries at best.

China has been more helpful than not to India at moments of high tension with Pakistan in recent years, remaining studiedly neutral during the Kargil episode of 1999 and making clear privately at the UN that it did not support Pakistan's resistance to international interest in the role of its citizens following the 2008 Mumbai attack. Indeed, China is not in an entirely comfortable position vis-à-vis Pakistan, having empowered it over many years, not least with nuclear technology, only to see the country spawn ever more Muslim extremism, which is hardly to China's taste. Nevertheless, in the complex geostrategic games afoot in Asia, the China-Pakistan alliance is likely to endure, while China also mostly accommodates India's rise.

India's evolving relations with other South Asian states range from the serene (with the Maldives and Bhutan) to improving (with Bangladesh) to often tense under a veneer of comity (with Sri Lanka and Nepal). Forward momentum will, in every case, breed rewards. India's benign (if economically and geostrategically self-interested) approach to Bhutan could serve as a model, albeit one that is not easily replicated in its specifics, for its relations with others in its periphery.

The difficult challenge India faces in Myanmar of protecting its interests in and relationship with the country, at a time when the weight of China is marginalising all other international actors there, evokes sympathy. Nevertheless, India can do more to reflect its own political

²² Correspondence with the author (24 June 2010).

and societal values in its stance vis-à-vis Naypyidaw, rather than seeking to occlude all possible bilateral differences in the relationship. Myanmar, which needs to retain more strings in its international relations fiddle than Chinese strategic and Thai business interests, needs India nearly as much as New Delhi needs it.

Three issues or relationships seen as essentially regional in international circles may warrant more detailed comment.

<u>Kashmir</u>

Kashmir is widely seen as an international issue in dispute between Pakistan and India on which foreign parties can succeed only in offending one side or the other, if not both. India remains very sensitive to outside intrusion on the issue, as foreign involvement conflicts with its position that the topic must remain a strictly bilateral one. It has remained so with dismal results for many years.

Rash as it is for a foreign voice to express any views on the topic, it may suffice to suggest that India could change the game on its own terms by seeking radically to improve the living conditions of the inhabitants of the Kashmir valley and its environs. Timid measures to de-escalate India's security deployment in Kashmir were trumpeted in 2009 and 2010, but, on such a scale, little was achieved. Moreover, impunity for the security forces in Kashmir remains worryingly prevalent.²³

An effort to re-imagine Indian Kashmir as the proud and prosperous place that it was for so much of its history, rather than as a security problem to be met with overwhelming force, might well prove salutary. India's alluring freedoms, including for women, would doubtless appeal to young Kashmiris, given a chance.

Of course, any relaxation of security control over the Kashmir valley and its surrounding areas could be interpreted as a threat to their *raison d'être* and as an invitation to respond by Pakistan-based militants. Further, Indians are used to thinking of Kashmir as both the central prize up for grabs, and a pawn in the India-Pakistan relationship. The notion of bold unilateral action – without any reward from Pakistan – to give effect to the autonomy the Indian constitution promises the region strikes a number of Indians as foolish at best.

Nevertheless, such a unilateral step would give Pakistan much to think about while New Delhi experiments with exchanging its ever-present 'red lines' for green lights.

²³ See Siddharth Varadarajan, 'This is not zero tolerance, Mr. Prime Minister', *The Hindu* (4 June 2010).

<u>Afghanistan</u>

At the time of writing, Afghanistan has become a conundrum for India. The Soviet invasion of the country in 1979, to prop up an unpopular communist regime in Kabul, was an embarrassment for New Delhi in view of its close ties to Moscow. After the Taliban's accession to power in Kabul, the hijacking of Air India flight 814 in December 1999, resulting in serial climb-downs by India to secure the release of hostages, reinforced the conviction in India that a radical Islamist regime in Afghanistan was a dagger pointed at its own heart. It thus welcomed the rout of Al Qaeda and the Taliban following the events of 11 September 2001, and invested heavily thereafter in President Hamid Karzai.

However, by 2010, the NATO forces propping up Karzai's government in Kabul were facing determined opposition from a resurgent Taliban with whom some in NATO, notably the UK, were increasingly inclined to negotiate a degree of power-sharing in Kabul. For India, whose embassy and nationals in Afghanistan were subjected to frequent attacks, and which was rarely consulted by NATO countries, the options were unattractive. The US wavered dangerously between praise for the risks India was taking in order to help Afghanistan and its willingness to accommodate Pakistan by signalling that it might be useful for Indian friends to lower their profile in that country.

The likelihood of at best a hybrid regime in Kabul with strong links to Islamabad, possibly resisted by a revival of the 'Northern Alliance', raised the possibility in the minds of some Indian and international strategists of a return to the dispensation of the 1990s (with forces in Afghanistan's northern provinces to be supported by India, Russia and, perhaps, Iran). Thus, India consulted conspicuously on Afghanistan with Russian Prime Minister Vladimir Putin during his visit to India in early 2010. Pointing to India's currently limited options in Afghanistan, Pankaj Mishra notes that, given New Delhi and Islamabad's reciprocal suspicions, 'India may have miscalculated in Afghanistan, now that not only Obama wants it to be discreet but Karzai himself has decided he will have to trust Pakistan to stabilise southern Afghanistan.'²⁴

However, in a country such as Afghanistan, given to sudden shifts of mood and perspective, New Delhi's prospects could improve suddenly in the months and years ahead, depending in part on Pakistan's future path.

<u>China</u>

As Nehru had hoped, India and China today work alongside each other and frequently partner on multilateral issues such as climate change, more than either country might have expected only a few years ago, and this in spite of their border dispute and fears of mutual

²⁴ Correspondence with the author (20 June 2010).

encirclement.²⁵ Both countries have moved, in the words of Commonwealth Secretary-General Kamalesh Sharma, from the international status of 'demandeurs' to that of 'demandees', of whom the global system wants policy decisions and actions.²⁶ But as argued by Shyam Saran, India is enjoying 'premature' power, akin to 'being dealt a hand in the geopolitical game, but refusing to play'.²⁷ The same might be said of China.

The two countries are, of course, profoundly different in their political and economic systems, and it is the asymmetry between them that is often most striking, not least China's advance on India to date (that some, with strong arguments, are convinced will be reversed in the decades ahead). ²⁸ In international economic relations, China's model is essentially mercantilist while India allows the impulses of its private sector to predominate.

In the wake of the financial and economic crisis of 2008-09, the notion that power is shifting from West to East became fashionable beyond what prophets of this view, like the compelling Kishore Mahbubani, had earlier argued. Lost in this new consensus, however, is the reality that India and China will need to accommodate each other and actively cooperate on some issues, rather than compete head-on for power, if the prediction is to come true.

This is possible on a range of issues. Both countries fear Islamic extremism and although each will tackle it in its own way domestically, their shared anxieties could breed deeper cooperation internationally. Both countries have been more 'rule takers' than 'rule makers' internationally, but they share an interest in the enforcement of a number of those rules, in areas such as piracy (where each has cooperated further to a UN call for action against attacks on commercial traffic through the sea-lanes near Somalia).²⁹ But cooperation will not be instinctive. Princeton University scholar Rohan Mukherjee comments: 'India's competition with China is not just economic or geo-strategic; in a sense it is existential – a clash of two competing political systems, bases of state legitimacy, and ways of ordering state-society relations.'³⁰

China and India today are straining to advance and protect their own interests without upending global rules. At the conclusion of his excellent book *Rivals*, which also discusses Japan, Bill Emmott, former editor of the *Economist*, writes: 'How will the Asian drama end? The answer is that it won't: it is now going to be a permanent feature of world affairs, and arguably the most important single determinant of whether those affairs proceed peacefully

²⁵ On the great encirclement debate, see P.S. Das, 'India and the Indian Ocean Littoral: Opportunities and Challenges', *Indian Foreign Policy Journal*, Vol.4, No.4 (October–December 2009), pp.1-32.

²⁶ Correspondence with Kamalesh Sharma (16 July 2010).

²⁷ Shyam Saran, 'Premature Power', *Business Standard* (17 March 2010).

²⁸ See a striking presentation by Arvind Virmani, (10 March 2010), http://info.worldbank.org/etools/docs/WBI videos/avirmani/avirmani.html. Accessed on 5 June 2011.

²⁹ The idea of Asians as 'rule takers' rather than 'rule makers' is one that Ramesh Thakur has frequently developed. For example, see Ramesh Thakur, 'Law, Legitamacy and United Nations', *Melbourne Journal of International Law* (2010), http://www.austlii.edu.au/au/journals/MelbJIL/2010/1.html. Accessed on 28 June 2011.

³⁰ Correspondence with the author (27 July 2010).

and prosperously or not. The drama will pit new, rising powers against the world's longestablished powers in America and Europe; and it will pit Asia's new powers against each other and against the region's first modernizer, Japan. In economics and business, the competition will have overwhelmingly positive results. In politics, we cannot be so sure.³¹

Values and Soft Power

India's growing belief that the political values enshrined in its constitution, which the country tries hard to live up to within its borders, can make it attractive to others – the 'soft power' of its democracy, its multi-ethnic make-up, the vibrancy of its civil society and the fierce freedom of its press – is well founded. Indeed, the struggle for development, justice, adequate representation and respect that lies at the heart of Indian politics can be recognised anywhere in the world as both familiar and positive. However, for now, rather like China, it prefers to avoid unnecessary controversy with its neighbours, even ones whose behaviour can be repugnant to large numbers of Indians, in order to get on with the country's own development and the gradual rise of its global influence.

Given its noisy democracy, India has found it very challenging to build domestic political support for foreign policy initiatives purely by invoking the argument of power. The argument of national interest is more compelling to Indians. But New Delhi has also continued to need a set of values and norms to justify its actions on the world stage. As a consequence the tension between 'power and principle' remains an enduring one in India's foreign policy strategy. Nevertheless, India's democratic credentials and values are unlikely to be subordinated to key strategic interests – the principal insight of a useful recent volume by S.D. Muni on the democracy dimension of India's foreign policy.³²

India, like China, has generated a significant global diaspora, estimated at 25 million, that plays a strikingly limited role in the country's life. But non-resident Indians (NRIs) play an important role at all levels of international business and increasingly in political life. The role of Indian-Americans in not only creating synergies for trade, investment and technology transfers between the US and India, but also in mobilising political support for a profound shift in US policy towards India from the 1990s onwards is one notable example. And India is the largest recipient of remittances in the world, receiving US\$43 billion in 2008.³³

³¹ Bill Emmott, *Rivals: How the Power Struggle between China, India and Japan will Shape Our Next Decade* (London/New York: Allen Lane, 2008), p.274.

³² S.D. Muni, *India's Foreign Policy: The Democracy Dimension* (New Delhi: Foundation Books, 2009), pp.125–39.

 ³³ Government of India, Ministry of Overseas Indian Affairs, Annual Report 2008–2009, http://moia.gov.in/writereaddata/pdf/Annual_Report_2008-09.pdf. Accessed on 28 June 2011.

Despite this, and recent efforts to make leading NRIs more welcome in policy circles, India, like other countries with large and successful diasporas, does not wish to be unduly influenced by them.

Engaging the World

India's capacity to play on its power of attraction is significant. Yet, its international influence and acceptance in the halls of power remains tentative. This may have to do with the flipside of the warmth and intelligence of so many Indians – an overinflated desire, sometimes insistence, on winning every argument and, if this cannot be achieved, a disposition to obstruct. Domestically, this leads to the Indian government being under much media, parliamentary and consequently sometimes even public pressure to 'say no', in key negotiations with China, Pakistan and the US.

A seeming reluctance *a priori* to be 'part of the solution', as Prime Minister Singh argued India should be on climate change in 2009, doubtless stemmed in large part from India's colonial experiences and its weak negotiating position during the early decades of independence. With impressive Indian economic accomplishments in recent decades, the global success of its artists and writers, and much else to its credit, a more self-confident approach by New Delhi internationally would now seem in order, with Indian creativity at the service not only of its own interests but also of wider stewardship of international management of global challenges.

India, in much of the world, beyond continuing associations with grinding poverty, evokes the glamour of its past, the grandeur of its monuments, the glory of its colours and Himalayan peaks, all of which conveyed to great effect in the country's highly successful 'Incredible India!' tourism promotional campaign. All of these Indian particulars deserve their place in the world's imagination. India has also worked hard to superimpose on these characteristics international understanding of a more modern, private sector-driven country featuring fast growth, groundbreaking service and high-tech industries, and a 'can do' spirit among its young professionals and corporate leaders. Although this has worked, up to a point, there is no sense yet of an overall Indian project – as there is with China's relentless drive towards modernisation and growth. And non-stop reports of government-related mismanagement (eg., of preparations for the Commonwealth Games of 2011) and alleged gross corruption (eg., on access to telecommunications bandwidth) exact a serious toll on India's international standing.

Sophisticated commentary on foreign relations is increasing as some of India's smartest younger scholars choose to return to India rather than to ply their trade in the great universities and research institutions of the West. This yields the added benefit of relieving the excessive weight that retired officials have played (by default) in commenting in the media on policies they helped shape.

Global Burden-sharing

Now that India is, on the strength of its economic successes, taken seriously by other major global players, it will need to grapple with whether, when, how and in what proportions it can and wants to share global burdens, such as the fight against climate change. This dilemma is at the nub of India's discomfort in discussion of the issues at the international level. In 2009, Prime Minister Singh and India's Environment Minister Jairam Ramesh made clear that India must act for its own reasons to curb pollution of various sorts in India and accept that India (like several of its neighbours) is threatened by global warming patterns. As opposed to the Copenhagen circus that unfolded in 2009, thinking globally and acting locally without engaging in treaty-making and binding international obligations may well be the path forward internationally. At the same time, the complex minuet in which India engaged prior to Copenhagen, seeking to placate domestic nationalists while striking a more open pose internationally, cannot be replicated indefinitely. For an emerging economic power to shelter itself behind appeals to its own poverty and a purported common line with other developing countries is not only ineffective, but also, perhaps, somewhat unworthy.

By underwriting an official assistance programme for neighbouring countries and some other purposes, by volunteering for dangerous peacekeeping duties abroad and, at the policy level, by contributing to G-20 policy commitments, India signals that it is not inherently obstructionist. Rather, it makes a meaningful mark on collective international efforts. The step from here to taking on more extensive obligations is one that cannot be forced on India by external actors. It is one that India must want to execute. The day when India takes this step may not be far off.

Envoi

India's diplomacy often has been understandably focused on issues of status. Today, because its growing significance is universally recognised, both its contributions and its objectives are more likely to be rewarded if pragmatically advanced than if done so on the basis of entitlement. Shyam Saran comments: 'India's relative power has outstripped the indices of personal and social well-being, unlike in the established industrialized powers where they have historically moved in sync. We will need to overcome the ambivalence this creates and embrace a more proactive regional and global role in line with our national power. A seat at the high table should be sought not as an end in itself, but as an opportunity to negotiate arrangements conducive to our economic and social development ...,³⁴

³⁴ Shyam Saran, 'Premature Power', *Business Standard* (17 March 2010).

India today advocates no particular ideology beyond the assertion of national self-interest generally focused on the economic sphere. Given the recent splintering of international relations into a genuinely multi-polar system and the acceleration of change in the relative weight of contending powers, India will likely continue to organise its diplomacy through issue-driven ad hoc coalitions and in some cases evanescent groupings of countries. While it is often associated with China, Brazil and South Africa, it will, when its interests dictate, disagree with them publicly. A recent example was its decision in April 2010 to join Brazil in criticising China's exchange rate policies.³⁵ More widely, while seeking to advance its interests and increase its influence globally, it is likely to continue to engage in a 'hedging strategy' between other significant powers.³⁶

One welcome by-product of altered global circumstances and of India's own rise is that New Delhi is much less likely to indulge in a spoiler role. Sunil Khilnani argues that India's approach, precisely because it is iterative and rests on no particular conception of power, will likely take shape in an unsystematic way. He believes, rightly in my view, that India's greatest asset remains its 'accumulated political legitimacy' rather than any hypothetical or real accumulation of power.³⁷

Time and history are on India's side as it struggles to recover from several centuries of foreign domination and its consequences. Its re-emergence, particularly if it manages its significant domestic challenges with success, will be one of the major shifts of the 21st century. It will have been hard won and should gladden both students of history and of foreign affairs the world over. Twenty or 30 years from now, the tentative, contingent nature of many of my judgements today may well seem over-cautious. I certainly hope so.

• • • • •

³⁵ Geoff Dyer, 'Brazil and India join renminbi protests', *Financial Times* (22 April 2010).

³⁶ From a speech by Shyam Saran at the India Habitat Centre (26 April 2010).

³⁷ Correspondence with the author (6 April 2010).