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## India's Engagement with Afghanistan: Developing a 'Durable Policy Architecture'

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### Abstract

*Calls for a regional approach to stabilise Afghanistan have not been accompanied by serious efforts to analyse the evolving motivations and strategies of regional actors. Occupying a unique position as Afghanistan's leading regional development partner, India is poised to play an instrumental role. The development partnership between India and Afghanistan, which emerged in the wake of the United State (US) invasion in 2001, has been recalibrated according to a revised conception of India's own strengths and limitations in its region and a sober reassessment of geopolitical realities. Built into this revision is a measured accommodation of Pakistan. While India may now succeed in carving out a strategically viable place for itself, the ability of India to achieve its goals in Afghanistan crucially depends on its capacity to leverage regional cooperation.*

### Introduction

There is growing consensus that India's global ambitions are constrained by the difficulties it encounters closer to home. Contending with domestic crises, unstable neighbours, and an ascendant China leaves India little scope to manoeuvre in the international arena. Confronting its region as a constraint rather than an opportunity, Delhi adheres to a cautious foreign policy

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framework, designed to guide outcomes but not to create them.<sup>2</sup> Concluding a review of two recent additions to the compendium of Indian foreign policy analysis, one author writes: 'India's quiescent strategic culture means that Indian experts who wish to see their country match its surging economic means with a more geopolitically active posture will likely remain disappointed.'<sup>3</sup>

For the better part of its independent life, the Indian government has engaged with Afghanistan along these familiar lines. On India's early relations with Afghanistan, I.P. Khosla explains: '(Jawaharlal) Nehru himself set a tone, which echoes in today's policy pronouncements. Talking in 1950 about Afghanistan and the demands of the Pashtuns, he said, "the Government of India is intimately interested, but it is a matter for abiding regret to us that we can only be interested from a distance without being able to help in any way".'<sup>4</sup> Prime Minister Nehru's sympathetic but detached Afghanistan policy survived his death in 1964 and persisted, virtually unchanged, under successive governments until the end of the Cold War.<sup>5</sup> Following which, despite evidence linking the Taliban regime to the Pakistani military establishment and militant groups operating in Kashmir, India did not actively intervene to prevent the Taliban from coming to power in Kabul.<sup>6</sup>

Similar interpretations pervade contemporary analyses of India's engagement with post-Taliban Afghanistan.<sup>7</sup> However, the position taken here is that Delhi's strategic framework underwent an important shift in Afghanistan following the US invasion in 2001. India sought to take advantage of US-NATO occupation and adopt a geopolitically active posture, more in tune with its perceived political and economic means. Departing from the guarded principles that had anchored its Afghan policy from independence, the Indian government initiated an ambitious new phase of engagement, intended to create an outcome conducive to Indian interests. Over nearly a decade, however, India's approach to Afghanistan repeatedly failed to achieve lasting objectives. Imminent US-NATO withdrawal has further jeopardised India's position. Facing what a retired Indian Brigadier has described as 'strategic stalemate',<sup>8</sup> the

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<sup>2</sup> Nitin Pai, *The Paradox of Proximity: India's Approach to Fragility in the Neighbourhood* (New York: Center on International Cooperation, New York University, 2011), p.7.

<sup>3</sup> David J. Karl, 'Is India Ready for Prime Time? (A review of David M. Malone, *Does the Elephant Dance? Contemporary Indian Foreign Policy* and Stephen P. Cohen and Sunil Dasgupta, *Arming Without Aiming: India's Military Modernisation*),' *Asian Policy* #12 (July 2011), p.178.

<sup>4</sup> I.P. Khosla, 'India and Afghanistan,' in Atish Sinha and Madhup Mohta eds., *Indian Foreign Policy: Challenges and Opportunities* (New Delhi: Academic Foundation, 2007), p.549.

<sup>5</sup> See Harish Kapur, *Foreign Policies of India's Prime Ministers* (New Delhi: Lancer Publishers, 2009).

<sup>6</sup> India did provide modest support to the so-called Northern Alliance in its efforts to unseat the Taliban, but did not support opposition to the Taliban militarily. See Vikash Yadav and Conrad Barwa, 'Relational Control: India's Grand Strategy in Afghanistan and Pakistan,' *India Review* 10:2 (April-June 2011), p.108.

<sup>7</sup> See, for example: Khosla, 'India and Afghanistan,' 2007; Pai, 'Paradox of Proximity,' 2011; Sushant K. Singh, 'A Bigger Military Presence is Essential if India is going to Shape Afghanistan's Future,' *Pragati: The Indian National Interest Review* No.17 (August, 2008); Shanthie Mariet D'Souza, 'India, Afghanistan, and the "End Game"?' *ISAS Working Paper* No.124 (Singapore: ISAS, National University of Singapore, March 2011); Jorge Heine and Partha Ghosh, 'The Elephant in the War: India and the Afghan-Pakistan Link,' *Canadian Foreign Policy Journal* 17:1 (June 2011).

<sup>8</sup> Conversation with Brigadier Gurmeet Kanwal (retired), Director of Centre for Land Warfare Studies (CLAWS), Delhi, 23 September 2011.

Manmohan Singh government began to retrench and recalibrate its engagement so as to shore-up what political capital it had gained.

Under these new circumstances, India may acquire influence that will allow it to secure some of its interests in Afghanistan. It will be argued that, since 2009, Delhi has been tailoring an Afghanistan policy that accords with India's strategic regional interests and reflects a sober reassessment of its geopolitical limitations. The shift marks a return to India's traditionally restrained policy, retaining flexibility in approach and a broad set of policy options without abandoning its core objectives. However, in an effort to spread the risks inherent in its engagement with Afghanistan, Delhi has embarked on a trajectory that requires apprehending its region as an opportunity rather than a constraint. Indeed, Delhi's Afghanistan approach today demands that it engage constructively with regional actors if it is to secure its investments and accrue strategic dividends. From this perspective, Delhi is staking the regional geopolitical landscape with familiar policy markers while asserting itself in such a way that requires wider, innovative engagement.

This analysis offers those who lament India's 'quiescent strategic culture' a lens through which the failures of abandoning its traditional posture might be understood. The objective is not to extol the virtues of static foreign policy. On the contrary, India's experience in Afghanistan demonstrates that capacity in one context does not easily translate into another, and efforts to exact such a translation can restrict rather than expand policy options. In seeking a practical equilibrium, Delhi has broadened its horizons for engagement and increased the flexibility of its policy architecture.

What follows is not grounded in any one body of literature, but draws from a broad range of Indian foreign policy scholars and practitioners, as well as strategic and journalistic analyses. A conscious effort has been made to remain outside any particular theoretical framework. Insofar as it can be situated in a certain theoretical or analytical field, this work is influenced by approaches to regionalism, which, according to one theorist, 'is best viewed as an unstable and indeterminate process of multiple and competing logics with no overriding teleology or single-end point, and dynamic regions are inherently unstable with little possibility of freezing the status quo.'<sup>9</sup> Appropriately, then, the present study eschews the reducible taxonomy of political science.

The following section will briefly introduce India's historical engagement with Afghanistan, and propose that an observable shift in India's Afghan policy is underway. Discussion will then turn to an interpretation and contextualisation of the contemporary India-Afghanistan bilateral relationship, from which it is determined that Indian engagement with Afghanistan following the US invasion of 2001 marked a significant break from its traditional posture. Subsequently, the specific nature and implications of India's evolving strategy in Afghanistan

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<sup>9</sup> Andrew Hurrell, 'One World? Many Worlds? The Place of Regions in the Study of International Society,' *International Affairs* 83:1 (2007), p.130.

will be analysed and motivating factors proposed. Finally, the discussion will look to the horizon, focusing on future options and outcomes.

### **Setting the Stage: Early Encounters to Contemporary Constraints**

India has strategic and economic interests in Afghanistan that are bound up in its complex relationship with Pakistan. Primarily concerned with security, Indian objectives are easily reconciled with those of the international community: the creation of a stable Afghanistan that will no longer export terrorism. Adding a distinctly Indian layer to internationally shared concerns, Delhi perceives its own influence in Afghanistan as a useful countermeasure to a hostile Pakistan.<sup>10</sup> Consequently, Delhi has initiated a programme of development assistance throughout Afghanistan with a view to cultivating a stable and friendly government in Kabul and goodwill amongst the population (analysed in detail below). In this sense, greater influence and increased stability are intertwined objectives and thus do not allow easy distinctions, adding to Pakistani suspicions.

Secondly, as a rapidly growing, energy-deficient country, India is keen to access Central Asian reserves of oil and natural gas. Afghanistan, which is also endowed with a wealth of extractable resources, can provide a convenient transit-way for these commodities. Similarly, a stable Afghanistan has the potential to be the over-ground nexus between regional markets, a convenience of significant benefit to the Indian economy.<sup>11</sup> (Here, too, India's troubled relationship with Pakistan is a major impediment). Finally, aspiring to great power status, India envisages its efforts to stabilise Afghanistan as a means to harness international recognition as a global force for peace and progress, seeking external validation for its role as purveyor of regional security.<sup>12</sup>

India has historically enjoyed good relations with Afghanistan. From ancient civilizational ties to the contemporary influence of Hindi cinema, the two countries nurture cultural affinities.<sup>13</sup> Geography has freed the relationship from the complications of disputed borders that plague relations between Kabul and Islamabad on one side, and Islamabad and Delhi on the other. However, lacking a contiguous border, India's physical detachment from Afghanistan presents a geopolitical dilemma: despite inclinations toward a closer relationship, India cannot realistically sustain its interests in Afghanistan without projecting a physical presence there, and any attempt to do so is anathema to Pakistan's political-military

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<sup>10</sup> C. Christine Fair, 'Under the Shrinking US Security Umbrella: India's End Game in Afghanistan?' *The Washington Quarterly* (Spring 2011), p.181.

<sup>11</sup> Harsh V. Pant, 'India in Afghanistan: A Test Case for a Rising Power,' *Contemporary South Asia* 18:2 (June 2010), p.145.

<sup>12</sup> Conversation with Harsh V. Pant, King's College, London, 19 March 2011. On India's quest for status, see, for example: Pratap Bhanu Mehta, 'Still Under Nehru's Shadow? The Absence of Foreign Policy Frameworks in India,' *India Review* 8:3 (July-September 2009) p.217.

<sup>13</sup> Daniel Norfolk, 'Why India Matters in Afghanistan: Development Assistance at a Decisive Moment,' *Pragati: The Indian National Interest Review* No.51 (June 2011), p.13.

establishment.<sup>14</sup> In fact, the contemporary history of India's engagement with Afghanistan can be understood in precisely these terms, as the process by which a major regional power adapts to an auxiliary role in its own geographical neighbourhood.

The contours of India's relationship with Afghanistan have been shaped over time by geopolitical misadventure, with each contemporary episode reifying the constraints to mutual engagement. The geopolitical entity that is now Afghanistan is the manifestation of competition between the British and Russian empires, which delineated its territory to buffer between their expanding realms. Unable to bring Afghanistan under direct rule, the British subsidised a roughshod state-building project, beginning a process that would incorporate Afghanistan into the international system of states.<sup>15</sup> While Russia subdued the peoples of Central Asia, and Britain the peoples of the Indian subcontinent, Afghanistan endured as a nominally independent client state.

When the British relinquished a partitioned Indian subcontinent in 1947, the buffer between India and Central Asia effectively shifted east, to what became the newly independent Islamic Republic of Pakistan. Although Afghanistan remained inextricably linked to South Asia in the collective psyche, Pakistan drove a geographical and political wedge between India and the states of the northwest. As is the case elsewhere, the borders drawn by colonial administrators to demarcate political-territorial entities had the paradoxical effect of undermining the sovereignty of the South Asian post-colonial states. With Pashtun and Kashmiri populations divided by Pakistan's *de facto* western and eastern borders respectively, competing irredentist and secessionist claims ensued, which have, to a large extent, shaped relations between the three countries to this day.

Independent India's foreign policy was primarily driven by domestic concerns, of which the Kashmir crisis was particularly acute.<sup>16</sup> Supporting the Pashtun cause and Afghanistan's territorial claims would have had the adverse consequence of legitimating Pakistani demands for Kashmir's self-determination. With hands tied, Delhi's approach to Afghanistan was characterised by diplomatic cordiality (albeit at a high level), limited efforts at expanding trade, and cooperation in development and capacity building.<sup>17</sup> Limited, positive engagement continued throughout much of the Cold War period, while both Delhi and Kabul remained normatively non-aligned and nominally pro-Soviet. However, when the Soviets invaded Afghanistan and seized Kabul in 1979, introducing Cold War proxy conflict into India's neighborhood, Delhi's policy options were severely constrained.<sup>18</sup> US support to Pakistan reified the geopolitical divide between India and Afghanistan. Furthermore, Delhi's failure to condemn the Soviet invasion outright cost it valuable political capital both in Afghanistan

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<sup>14</sup> Conversation with C. Raja Mohan, Centre for Policy Research, New Delhi, 7 April 2011.

<sup>15</sup> Barnett R. Rubin, *The Fragmentation of Afghanistan* (Yale University: Yale University Press, 1995), Chapter 3.

<sup>16</sup> David Malone, *Does the Elephant Dance? Contemporary Indian Foreign Policy* (New Delhi: Oxford University Press, 2011), pp.48-49.

<sup>17</sup> D'Souza, 'India, Afghanistan, and the "End Game"?' 4-5; Khosla, 'India in Afghanistan,' p.549.

<sup>18</sup> Surjit Mansingh, *India's Search for Power: Indira Gandhi's Foreign Policy 1966-1982* (New Delhi: Sage Publications, 1984) p.158.

and in the capitalist West. Delhi increased its development assistance to combat the fallout, but was powerless to affect meaningful change.<sup>19</sup> Global bipolarity throughout the Cold War considerably limited Delhi's regional policy options.

The US-Saudi Arabia-sponsored, Pakistan-backed jihad, which ultimately succeeded in pushing the USSR out of Afghanistan in 1989, radically altered the geostrategic landscape as viewed from Delhi. Afghanistan's communist government retained a tenuous hold on power in Kabul, but faced encirclement by various mujahidin factions. Nevertheless, circumstances did not, as might have been expected, elicit a forceful Indian reaction. Exhibiting the 'strategic restraint' that would become a hallmark of its foreign policy throughout the ensuing two decades, India developed an open and tolerant approach to accommodate the volatile circumstances. Then Prime Minister Narasimha Rao knew where India stood in the quickly evolving regional security complex, and accepted Pakistan's growing influence in Afghanistan. Following the fall of the communist government in Kabul, Rao attempted to mitigate the most deleterious effects by engaging with the mujahidin and moderating the differences between Delhi and less-sympathetic Afghan power-brokers.<sup>20</sup> Comparisons have been drawn between India's approach to post-Soviet Afghanistan and the current trajectory of Indian policy, prompting one former Indian diplomat to describe the ongoing changes in terms of a policy 'reset' in Delhi.<sup>21</sup>

In the event, Rao's policy formulations were rendered redundant by the Taliban's conquest of Kabul in 1996 and complicity in the hijacking of an Air India flight in 1999, removing the possibility for compromise.<sup>22</sup> Indian diplomatic and development initiatives in Afghanistan experienced a hiatus while the Taliban ruled Kabul, during which time Delhi extended support to the non-Pashtun Northern Alliance as a strategic imperative.<sup>23</sup> The Northern Alliance provided the only credible counter-balance to a regime in Afghanistan directly threatening India's national security interests. Delhi continued to provide 'quiet and limited support' for the groups fighting the Taliban, but did not use force or overtly support attempts to depose the regime.<sup>24</sup>

Regional dynamics were distorted by the US invasion of Afghanistan in 2001. The American security blanket appeared to offer India an avenue by which to circumvent its geopolitical dilemma: US efforts to stabilise Afghanistan allowed India to establish a greater presence on the ground. In the event, expected security guarantees proved elusive. 'Under the shrinking US security umbrella,' as it has been described by Christine Fair, India was again confronted with the reality of its disadvantageous position. India has had to come to terms with its own geopolitical limitations, and though this process has occurred haphazardly and experienced

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<sup>19</sup> C. Christine Fair, 'Under the Shrinking US Security Umbrella,' p.182.

<sup>20</sup> M.K. Bhadrakumar, 'Manmohan Singh Resets Afghan Policy,' *The Hindu*, 16 May 2011.

<sup>21</sup> *Ibid.*

<sup>22</sup> Malone, *Does the Elephant Dance?* p.290.

<sup>23</sup> See Yadav and Barwa, 'Relational Control,' p.108.

<sup>24</sup> Pai, 'Paradox of Proximity,' p.7.

many setbacks, it appears at the time of writing that India may succeed in carving out a strategically viable place for itself in the reconstruction of Afghanistan.

For the purposes of this analysis, the objectives listed above – security, stability, influence, and status – comprise the necessary conditions for Indian engagement in Afghanistan. It will be demonstrated that the sufficient condition, the perceived capacity to achieve these objectives, arose simultaneously with, and as a function of, the US occupation of Afghanistan. The parameters of the Afghan war have been transformed by the initiation of an incremental US-NATO troop withdrawal in 2011. However, the current drawdown of international troops has not precipitated India's withdrawal. Rather, it has encouraged India to recalibrate its approach. Responding to evolving circumstances and anticipating further changes, India is developing a flexible policy framework by which it may acquire influence that will allow it to secure some of its interests in Afghanistan.

### **Think Global, Act Local: Experiments in Projecting Power, 2001-2009**

Following the American invasion of Afghanistan in 2001 and the swift eviction of the Taliban from power in Kabul, Delhi enthusiastically resumed diplomatic relations with Hamid Karzai's new government, reopening its embassy in Kabul and establishing four additional consulates throughout the country. Though still reluctant to engage militarily, India committed very substantial resources to its ambitious, multi-sectoral reconstruction effort. Initially pledging US\$1.2 billion (this figure has since climbed to US\$2 billion), India became Afghanistan's leading regional development partner and eventually its fifth largest bilateral donor.<sup>25</sup>

Without wasting time, India threw its weight behind large-scale infrastructure projects throughout the country. These include the 218km Zaranj-Delaram highway (connecting interior Afghanistan to the Iranian border), the installation of a transmission line bringing power to Kabul from the northern grid, the construction of a large hydro-electric dam in Herat province, and, symbolically, the erection of a new Afghan parliament building.<sup>26</sup> Beyond this, India initiated an impressive panoply of development projects covering a range of sectors, many of which remain operational today. These have been comprised of capacity building initiatives (particularly in the agricultural sector), small and community-based development projects that concentrate on vulnerable areas and emphasise local ownership, and the general provision of humanitarian assistance.<sup>27</sup> Included under the 'capacity building' umbrella have been modest but politically significant efforts to train police and senior military officials.<sup>28</sup>

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<sup>25</sup> 'Charity Begins Abroad: Big Developing Countries are Shaking up the World of Aid,' *The Economist* (13 August 2011), <http://www.economist.com/node/21525836>.

<sup>26</sup> See Indian Ministry of External Affairs, 'India and Afghanistan: A Development Partnership,' Public Diplomacy Division, Ministry of External Affairs, Government of India, <http://meaindia.nic.in> or <http://meakabul.nic.in>.

<sup>27</sup> *Ibid.*

<sup>28</sup> Correspondence with Ajai Shukla, 1 July 2011.

Similarly ambitious commercial ventures have been initiated. A Gas Pipeline Framework Agreement was signed by Turkmenistan, Afghanistan, Pakistan, and India in 2008. The TAPI pipeline (so-named after the initials of the four countries involved) has been under discussion since the 1990s, and envisages over a thousand miles of pipe connecting Turkmenistan's natural gas fields with energy-deficient South Asia.<sup>29</sup> Simultaneous plans for an Iran-Pakistan-India (IPI) pipeline are in the offing, but Delhi, wary of Washington's reservations and disruptive sanctions, has been reluctant to move forward.<sup>30</sup> A Preferential Trade Agreement was signed between India and Afghanistan in 2003, reducing customs duty on a range of goods. Bilateral trade has increased considerably as a result, worth approximately \$588 million in 2009-2010, with Indian markets absorbing the largest share of Afghan exports after the US.<sup>31</sup>

Delhi's energetic re-engagement with post-Taliban Afghanistan represents a marked break from historically limited Indo-Afghan bilateral relations. More significantly, it signaled a temporary departure from what Pratap Bhanu Mehta has described as the politics of cautious prudence – a conscious effort to behave in such a way that removes the need for force, allies, and any commitment to inducing change abroad.<sup>32</sup> According to this foreign policy formulation, India appreciates its limited capacity to affect change outside its borders (without recourse to force, the application of which remains only a very remote option) and will avoid enduring alliances unless driven to them by necessity.<sup>33</sup> Cautious prudence offers a more nuanced framework to the doctrine of 'strategic restraint', which is often cited as a guiding rationale behind Indian foreign policy, in that strategic restraint refers directly to India's reluctance to resort to force as an instrument of policy.<sup>34</sup>

The distinction is important, as it is clear that India has remained disinclined to engage militarily in Afghanistan, exhibiting considerable strategic restraint. However, Delhi's bold and uncharacteristically proactive engagement with US-occupied Afghanistan does betray an exaggerated notion of its own capacity. Drifting away from its cautiously prudent moorings, the Indian government seized an opportunity, created by the Americans, to advance its regional agenda. Delhi envisioned an Afghanistan dependent, to some degree, on its markets and through which it might access the markets and resources of Central Asia, while

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<sup>29</sup> John Foster, 'Afghanistan, the TAPI Pipeline, and Energy Geopolitics,' *The IAGS Journal of Energy Security* (23 March, 2010), see: [http://www.ensec.org/index.php?option=com\\_content&view=article&id=233:afghanistan-the-tapi-pipeline-and-energy-geopolitics&catid=103:energysecurityissuecontent&Itemid=358](http://www.ensec.org/index.php?option=com_content&view=article&id=233:afghanistan-the-tapi-pipeline-and-energy-geopolitics&catid=103:energysecurityissuecontent&Itemid=358)

<sup>30</sup> Sandeep Dikshit, 'US Backs TAPI but Avoids Mention of IPI,' *The Hindu*, 21 July 2011.

<sup>31</sup> See: Press Trust of India, 'Afghanistan Seeks Indian Investment to Boost its Agri Sector,' *Business Standard*, 3 December 2010; See Asian Development Bank Data, <http://www.adb.org/afghanistan/main.asp>

<sup>32</sup> Pratap Bhanu Mehta, 'Still Under Nehru's Shadow? The Absence of Foreign Policy Frameworks in India,' *India Review* 8.3 (2009), p.230.

<sup>33</sup> *Ibid.*, p.230-231.

<sup>34</sup> Sunil Dasgupta and Stephen P. Cohen, 'Is India Ending its Strategic Restraint Doctrine?' *The Washington Quarterly* (Spring 2011), 163; See also, C. Raja Mohan, 'India and the Balance of Power,' *Foreign Affairs* 85.4 (July/August 2006).



containing Pakistan and cultivating India's status as a global force for stability.<sup>35</sup> In so doing, India amplified tensions between itself and Pakistan (significantly raising the odds of aggressive retaliation), entered voluntarily into the US-led alliance (by making its level of engagement dependent on the US-NATO 'security umbrella'<sup>36</sup>), formalised a 'strategic partnership' with Afghanistan<sup>37</sup>, and committed to fostering a friendly government in Kabul.<sup>38</sup>

There are several justifiable reasons why Delhi may have picked this moment for a modest departure from the tenets of its cautious foreign policy. The threat of militant Islam had become intolerable, perceived Pakistani belligerence might be better contained, and energy scarcity necessitated access to Central Asian oil and natural gas reserves. But all of these justifications predated the US invasion of Afghanistan. What defined this particular moment was the concomitant convergence of certain Indian and US objectives in South-Central Asia with the ascendance of India's economic and political power in the region. Put simply, Washington sought stability for a region in which Delhi sought influence consistent with its rising profile.

One scholar has described this episode as 'a test case for a rising power', and it should be understood as exactly that.<sup>39</sup> The prism through which rising powers, and India in particular, have come to be perceived is one that juxtaposes global ambitions with regional constraints. Andrew Hurrell observed that Brazil, Russia, India, and China all illustrate the complexity of the 'regional-global nexus':

In all four cases foreign policy is heavily shaped by the regional context – by evolving regional balances of power...by changing patterns of regional security (especially in the form of new categories of threat); and by increasingly dense patterns of social and economic regionalisation. Regions are also central to historic self-understandings. Both Russia and India see themselves as the natural leader of a closed region in which outside interference is deeply resented. And yet, on balance, it is the image of the region as constraint rather than as opportunity that emerges most strongly...<sup>40</sup>

Similar conceptualisations of the apparent inability to turn resources into outcomes have been articulated. David Baldwin's paradox of unrealised power describes 'the mistaken belief that power resources useful in one policy-contingency framework will be useful in a different

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<sup>35</sup> Harsh V. Pant, 'The Afghanistan Conflict: India's Changing Role,' *Middle East Quarterly* (Spring 2011), p.31.

<sup>36</sup> C. Christine Fair, 'Under the Shrinking US Security Umbrella,' p.180.

<sup>37</sup> Indian Ministry of External Affairs, 'Address by Prime Minister to the Joint Session of the Parliament of Afghanistan,' MEA Speeches and Statements, 13 May 2011, see: <http://meaindia.nic.in/mystart.php?id=530117626>.

<sup>38</sup> Pant, 'India's Changing Role,' p.32.

<sup>39</sup> Harsh V. Pant, 'India in Afghanistan: A Test Case for a Rising Power,' *Contemporary South Asia* 18.2 (2010), pp.133-153.

<sup>40</sup> Andrew Hurrell, 'Hegemony, Liberalism, and Global Order: What Space for Would-be Great Powers?' *International Affairs* 82.1 (2006), p.8.

one.’<sup>41</sup> Moreover, Nitin Pai has asked how India will transcend its ‘paradox of proximity’, the predicament wherein ‘India cannot escape its neighbourhood and that its great power ambitions will be constrained by instability in that neighbourhood.’<sup>42</sup>

Thus, in 2001, Afghanistan presented a multi-faceted challenge to India’s foreign policy. As an internationalised arena of political conflict, Afghanistan epitomised the regional-global nexus: in the immediate neighbourhood, it remained inextricably linked to Pakistan, India’s traditional regional stumbling block; from the extended neighbourhood it drew various players, in one way or another, notably China, Iran, and Russia; on the global stage, Afghanistan became central to the consciousness of the international community; and permeating all three levels, the US projected its influence as reluctant Pakistani ally and eminent global power.

While the US is now becoming less relevant to the future of South and Central Asia, in 2001 it was poised to play a pivotal role, and no less from Delhi’s perspective. India had entered into America’s economic and psychological orbit in a big way between the Soviet withdrawal from Afghanistan and the zenith of Taliban power in Kabul (first by opening its doors to American investment in 1991 and then by testing nuclear weapons in 1998<sup>43</sup>), and the US physically entered India’s orbit when it invaded Afghanistan. Free from the Soviet gravitational pull, Delhi was no longer on a collision course with Washington. Rather, as the two democracies reconciled their political philosophies, certain mutual objectives began to align and coalesce around the ‘war on terror’ and the creation of a stable Afghanistan.

Riding a wave of economic growth and a surge in international popularity (buoyed by successful liberalisation reforms initiated in the 1990s), India saw the Afghanistan war as an opportunity to flex its economic muscles in an environment safeguarded by the American military, and to establish a place for itself in determining Afghanistan’s future while undermining Pakistan’s influence there.<sup>44</sup> Involvement in Afghanistan also looked to provide a means of harnessing international goodwill and raising India’s profile as a peace-building global citizen. Its first foray into the reconstruction of US-occupied Afghanistan was adorned in signature Nehruvian rhetoric – emphasising inalienable sovereignty, a partnership of equals, the unity of cause and politics<sup>45</sup> – but now backed, it would seem, with the economic and political tools befitting a regional power.

However, faults in India’s regional designs emerged early in its engagement with US-NATO-occupied Afghanistan. Deterred by the international community, by Pakistan’s nuclear arsenal and proxy militias, by the fear of triggering an unconventional jihad closer to home,

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<sup>41</sup> David Baldwin, ‘Power Analysis and World Politics: New Trends versus Old Tendencies,’ *World Politics* 31.2 (1979), 164.

<sup>42</sup> Pai, ‘The Paradox of Proximity,’ p.18.

<sup>43</sup> Malone, *Does the Elephant Dance?* p.164-166.

<sup>44</sup> Conversation with Harsh V. Pant, King’s College, London, 19 March 2011.

<sup>45</sup> See Indian Ministry of External Affairs, ‘India and Afghanistan: A Development Partnership,’ Public Diplomacy Division, Ministry of External Affairs, Government of India, <http://meaindia.nic.in> or <http://meakabul.nic.in>.

and by the dictates of domestic political pragmatism, Delhi could not join the coalition of nations engaged militarily in Afghanistan. In absentia, the Indian government found itself relegated to the periphery of the international debate surrounding Afghanistan, and, thus sidelined, spent the better part of a decade as a marginalised player (despite being the country's fifth largest bilateral donor). Few doubt the prudence of the decision to hold back troops. However, the reality is that Delhi's choices were limited by its inability to project power commensurate with its relative strength in the region. India has been labeled a 'premature power' for its incapacity to neutralise vulnerabilities inherent in the political divisions of the Indian subcontinent.<sup>46</sup> Its economic and political preponderance does not translate easily into leverage in the regional context, regardless of the security guarantees underwritten by US forces.

Following the US invasion of Afghanistan, India was presented with a challenge and an opportunity, a test, to which India responded by departing from its characteristically cautious foreign policy framework, exposing certain vulnerabilities, and ultimately failing to secure its interests. The following section will look at how India failed, how it has responded, and why it may now succeed in reversing its fortunes in Afghanistan.

### **Engineering a 'Durable Policy Architecture'<sup>47</sup>: 2009-Present**

Commendable though it has been, the ambitious development programme initiated by India in Afghanistan after 2001 was not the product of grand strategy. Nor was it simply a kneejerk reaction. To adapt the Clausewitzian aphorism, development assistance is, to varying degrees, the continuation of politics by other means.<sup>48</sup> India's development programming was intended to achieve certain political objectives, which will inevitably be interpreted differently from different perspectives. But whether benign or otherwise, the assumptions undergirding the motives are plain: Delhi's Afghanistan policy in the early years of American occupation relied on the assumption that the US would impose upon Afghanistan and Pakistan a degree of stability adequate to allow India greater influence in regional affairs, and that would deliver certain economic and political dividends.<sup>49</sup> Under these circumstances, Delhi hoped to sustain a ground-level presence in Afghanistan (without fear of attack) and develop its people-to-people ties throughout the country, while courting the government in Kabul (ideally gaining access to Central Asian markets and energy reserves). At the very least, the Indian government could assist in creating a stable Afghanistan, free from Pakistani influence and open to trade.

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<sup>46</sup> Shyam Saran, 'Premature Power: India has to Leverage its Swing Status, Engage with all and Align with None,' *Business Standard*, 17 March 2010.

<sup>47</sup> The term, 'durable policy architecture,' refers to M.K. Bhadrakumar's description of Delhi's search for a policy framework following the Soviet withdrawal from Afghanistan. See M.K. Bhadrakumar, 'Manmohan Singh Resets Afghan Policy,' *The Hindu*, 16 May 2011.

<sup>48</sup> Various translated, Carl von Clausewitz's famous aphorism holds that 'War is the continuation of politics by other means.' See: Carl Von Clausewitz, in Michael Howard and Peter Paret eds., *On War* (New Jersey: Princeton University Press, 1976), Book 1, Chapter 1, Section 24.

<sup>49</sup> Pant, 'India in Afghanistan,' p.133; Conversation with Harsh V. Pant, 19 March 2011.

However, despite some impressive achievements in the development sphere (improving the lives of Afghans and garnering popular goodwill<sup>50</sup>) Indian engagement did not achieve durable strategic objectives. Delhi's calculations fell short on several fronts. The Taliban have not been pacified and Pakistan has descended further into chaos. Attacks on Indian projects, facilities, and personnel increased in size and frequency between 2002 and 2009.<sup>51</sup>

Not only were attacks on its projects and resources on the ground becoming routine, but India's efforts were never genuinely and actively encouraged by the US or coalition governments, which remained highly sensitive to Pakistan's real and imagined grievances.<sup>52</sup> Indian protestations surrounding the prospects of reconciling with the Taliban (maintaining that moderate Taliban did not exist) fell on deaf ears. This international rebuke was most pronounced at the London Conference on Afghanistan in January 2010, where the objections of Indian representatives were roundly ignored.<sup>53</sup> Although the successes of India's Afghan development programme were widely-acknowledged, no effort was made at the international level to consult the Indian government on Afghanistan or bring it into any meaningful decision-making processes.

Furthermore, Indian initiatives were not securing access to markets or significant resources. On the contrary, increased visibility contributed to making India's corporate ventures and development projects more vulnerable.<sup>54</sup> The TAPI pipeline, heralded for its potential to improve energy security and economic interdependence on the subcontinent, came to a virtual standstill. The India-Afghanistan Preferential Trade Agreement has been underutilised, trade between the two nations having to circumvent an obstructive Pakistan, which until recently refused to grant transit rights to trade goods across its borders (and even now insists that all goods must be unloaded at the border and transferred into Indian containers, stalling the export process significantly).<sup>55</sup> India did succeed in ushering Afghanistan into the South Asian Association for Regional Cooperation (SAARC) in 2005, and this may yet prove to be one of the more important steps toward regional cooperation (the SAARC mechanisms could be instrumental in forging future frameworks for energy cooperation, for example<sup>56</sup>) but there have been few tangible yields from Afghanistan's incorporation by the regional body.

Finally, in April 2011, Pakistan's army chief, General Ashfaq Parvez Kayani, and Prime Minister Yusuf Raza Gilani, met with Afghan President Hamid Karzai in Kabul to formalise

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<sup>50</sup> Public opinion surveys have consistently found that India is viewed favourably by Afghans. See: Shubhajit Roy, 'With Thumbs Up from Afghans, India Explores more Areas of Aid,' *Indian Express*, 5 January 2010.

<sup>51</sup> Heine and Ghosh, 'The Elephant in the War,' p.51.

<sup>52</sup> Malone, *Does the Elephant Dance?* p.291.

<sup>53</sup> Arvind Gupta, 'The London Conference: It is Time for India to Reassess its Afghan Policy,' IDSA Comment, *Institute for Defense Studies and Analyses* (1 February 2010).

<sup>54</sup> Confidential conversation with Indian Ministry of External Affairs official, 8 April 2011.

<sup>55</sup> Frederic, Grare, "Pakistan," in Ashley Tellis and Aroop Mukherjee (eds.) "Is a Regional Strategy Viable in Afghanistan?" *Carnegie Endowment for International Peace* (Washington: Carnegie Endowment, 2010), 21.

<sup>56</sup> Shanthie Mariet D'Souza, "India, Afghanistan, and the 'End Game'?" *ISAS Working Paper No.124* (Singapore: ISAS at National University of Singapore, March 2011), p.7.

an agreement that would allow the Pakistani army a role in negotiating a reconciliation between Kabul and the Taliban (Washington has since backed up this commitment, confirming that any reconciliation process will involve Pakistan<sup>57</sup>). The Pakistani media hailed the agreement as a ‘historic breakthrough’ that could align the ‘shared destinies’ of Kabul and Islamabad.<sup>58</sup> It appeared that India’s fate had been sealed; Delhi had been unable to achieve the most fundamental of its strategic objectives – preventing Pakistan from exerting influence over Kabul.

Delhi could not justifiably keep to its chosen path in Afghanistan while such an approach manifestly failed to yield the political results initially envisioned by its policy makers. It is evident that Delhi began to internalise the barriers to its expanding physical presence in Afghanistan following the 2008 bombing of its embassy in Kabul and the murder of nine Indian civilians in an attack on a Kabul guesthouse in 2010.<sup>59</sup> The culmination of several of India’s largest infrastructure projects in Afghanistan from 2009 onwards has provided India with an opportunity to scale-down its physical presence there without conceding defeat. Delhi insists this is not a direct response to the security vacuum anticipated when the US ends its combat role in 2014. Instead, Indian policy makers frame the shift in terms of seizing an opportune moment to redefine the country’s Afghan strategy.<sup>60</sup> It is likely that a combination of factors, including the conditions of the rapprochement between Islamabad and Kabul, began to circumscribe India’s position to the point that Delhi could no longer credibly defend its mode of engagement.<sup>61</sup>

Inherent to Delhi’s mode of engagement, as discussed above, had been the notion that a friendly government and relative stability in Afghanistan would ultimately allow India to emerge as the purveyor of regional security. If confidence in such an outcome had diminished over the course of the decade, Karzai’s overture to Islamabad confounded the notion beyond a doubt. India’s strategic reformulation had to acknowledge Pakistan’s centrality to the regional algebra: that Pakistan, for better or for worse, would remain a critical variable in the operations and relations between actors in the region, and the disputed porous border between Pakistan and Afghanistan would render durable peace contingent on Pakistani compliance. Rather than withdraw from its commitments to Kabul, the Indian government reaffirmed the development partnership and deepened its financial support to Afghanistan. An exchange of high-level visits between the two countries in 2011 indicates that India is moving towards an enhanced role in developing the full spectrum of Afghan capacity, from workforce to security force. The Indian Prime Minister committed to increasing development outlays, raising total bilateral assistance to US\$2 billion, and emphasised India’s focus on the social sector,

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<sup>57</sup> Anita Joshua, “Bid to Placate Pakistan on Afghanistan,” *The Hindu*, 4 August 2011.

<sup>58</sup> C. Raja Mohan, “Two Sides of the Durand Line,” *Indian Express*, 19 April 2011.

<sup>59</sup> Alissa J. Rubin, “Guesthouses Used by Foreigners in Kabul Hit in Deadly Attacks,” *New York Times*, 26 February 2010; See also: Subhash Agrawal, “India’s Role in Post-2011 Afghanistan: Can Canada and India Collaborate?” *Asia Pacific Foundation of Canada*, Canada-Asia Agenda, Issue 8 (28 April 2010), p.4.

<sup>60</sup> Confidential conversation with Indian Ministry of External Affairs official, 8 April 2011.

<sup>61</sup> In January 2011, Afghanistan designated Pakistan a formal facilitator in the process of reconciling with moderate Taliban. The two sides agreed on creating a joint commission for reaching out to Afghan Taliban. This represented an about-face in their bilateral ties. See: ‘Pak gets “Facilitator” Role in Afghan Peace Talks with Taliban: Report,’ *Indian Express*, 28 January 2011.

agriculture, capacity building, access to the Indian market, and continued investment in infrastructure. The two sides signed a Strategic Partnership agreement, extending to security, law enforcement, and justice, and India pledged to strengthen the capabilities of the Afghan security forces. Significantly, Singh expressed support for Kabul's decision to begin an Afghan-led process of negotiation and reconciliation with the Taliban.<sup>62</sup>

Unpacking India's commitment reveals a policy framework designed to adapt to changing circumstances. Setting aside very justifiable apprehensions, India has adjusted its posture to accommodate the flow of events. By deepening ties with the Afghan security sector and nurturing relations with Afghans on a local level (through increasingly localised development programming) Delhi is refashioning its dual or two-pronged approach towards Afghanistan. Indian policymakers appreciate that by simultaneously providing the Afghan government with what it needs to govern and the people with what they need to live, it has a greater chance of making itself indispensable to whatever situation emerges in Afghanistan. Placating the two spheres (the public and the political elite) improves the environment within which the Indian commercial sector can operate, allowing increased private-sector investment and another layer of influence.

Often referred to as strategy-less, India's approach to Afghanistan has evolved over the years and has experienced several setbacks, but it has nevertheless developed into a flexible strategic framework. Now, by courting Afghanistan's security establishment and introducing itself into the Afghan power equation, Delhi can afford to offer balancing concessions in the form of a nod towards an Afghan-led negotiation with the Taliban. On the surface, this shift appears counterintuitive: Indian policymakers know that reconciling with the Taliban essentially allows an indirect bargain with Pakistan, tacitly conferring to Pakistan's Inter-Services Intelligence (ISI, Pakistan's intelligence agency) a legitimate claim to space within which it can manoeuvre in a post-US-NATO Afghanistan.<sup>63</sup> Furthermore, it is very likely that Pakistan will use this leverage to undermine India's relationship with Kabul. However, India is taking steps to avert such an eventuality.

Making India less visible in Afghanistan, without reducing its influence, has become a priority for policy makers in Delhi.<sup>64</sup> While its larger infrastructure projects wind down, India has expanded its delivery of what one observer has called 'phantom aid', whereby money is channelled through the Afghan government to local communities.<sup>65</sup> These Small Development Projects (SDPs) ensure greater local ownership and participation and, according to the MEA (Ministry of External Affairs), none have been targeted by militants.<sup>66</sup> Programme oversight provided by consulates in Mazar-e-Sharif, Jalalabad, Kandahar, and

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<sup>62</sup> See MEA Statements, 'Address by Prime Minister to the Joint Session of the Parliament of Afghanistan,' Ministry of External Affairs Website, 13 May 2011; and Teresita and Howard Schaffer, 'India and the US Moving Closer on Afghanistan,' *The Hindu*, 1 June 2011.

<sup>63</sup> Schaffer, 'India and the US Moving Closer on Afghanistan.'

<sup>64</sup> Confidential conversation with Indian Ministry of External Affairs official, 8 April 2011.

<sup>65</sup> Shanthie Mariet D'Souza, 'ISAS Working Paper 124: India, Afghanistan, and the "End Game"?' *ISAS* (Singapore: National University of Singapore, March 2011), p.10.

<sup>66</sup> Confidential conversation with Indian Ministry of External Affairs official, 8 April 2011.

Herat enables India to cultivate direct links with the communities involved, amongst predominantly Pashtun communities to which India has historically been sympathetic.

While there is little available information surrounding the nature of these interactions, consular activities are publicly construed as acts of espionage by Pakistan, which frequently accuses India of engaging in clandestine efforts to foment insurgency within its borders.<sup>67</sup> While there is little evidence to support these claims, Indian SDPs are highly concentrated in areas of Afghanistan bordering Pakistan's north-west, and a recent study has alluded to intelligence confirming that 'India's involvement in Afghanistan is not entirely benign.'<sup>68</sup> That Indian projects and consulates rouse Pakistani suspicions is expected. That India has been able to expand its network of SDPs and enhance localised programming efforts without eliciting a violent response speaks to the success of the hands-off approach and to the acquiescence of local Taliban.<sup>69</sup>

India has also indicated its openness to engaging in multi-sectoral trilateral projects with international partners.<sup>70</sup> The US has conveyed an interest in collaborating on certain projects and programmes.<sup>71</sup> Such projects could minimise operating costs by exploiting India's proximity to Afghanistan and utilising its relevant expertise (particularly in agriculture and communications technology) while allaying Pakistani suspicions with a third-party guarantee. In a move that will further discredit Pakistan's more excessive claims, the Indian government has pushed through plans to set up its own foreign aid agency, the Indian Agency for Partnership in Development, which will assume the development-oriented functions of the MEA and possibly alleviate political pressure and divert unreasonable criticism.<sup>72</sup> Policymakers have welcomed the move, claiming that the agency will not only make aid delivery more efficient, but it will make way for a cohesive aid strategy that can better incorporate and manage Indian interests.<sup>73</sup>

On the issue of security sector cooperation, Afghan Defence Minister, General Abdul Rahim Wardak, said in Delhi in June 2011, 'We will welcome any cooperation in the field of training and helping our national security forces to be able to defend their country', and added that military equipment supplies were also under discussion.<sup>74</sup> Wardak's Indian counterpart, A.K. Antony, confirmed India's commitment to building the capabilities of the Afghan National Security Forces (ANSF, composed of the Afghan National Army and

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<sup>67</sup> See Jayshree Bajoria, 'RAW: India's External Intelligence Agency,' *Backgrounder* (Washington: Council on Foreign Relations, 7 November 2008); 'RAW is Training 600 Baluchis in Afghanistan: Mushahid Hussein,' Boloji.com, 14 May 2006 (<http://www.boloji.com/index.cfm?md=Content&sd=Articles&ArticleID=2503>).

<sup>68</sup> C. Christine Fair, 'Under the Shrinking US Security Umbrella,' p.184.

<sup>69</sup> See: 'Taliban Say they can : "Reconcile" with India,' *The Times of India*, 26 March 2010.

<sup>70</sup> Daniel Norfolk, 'Why India Matters in Afghanistan,' *Pragati*, June 2011, p.14.

<sup>71</sup> See: White House document, 'The US-India Partnership: The Fact Sheets,' White House website, November 2010 (<http://www.whitehouse.gov/the-press-office/2010/11/08/us-india-partnership-fact-sheets>).

<sup>72</sup> Jayanth Jacob, 'India Setting up Foreign Aid Agency,' *The Hindustan Times*, 17 July 2011.

<sup>73</sup> Nishika Patel, 'India to Create Central Foreign Aid Agency,' *The Guardian*, 28 July 2011.

<sup>74</sup> See Article: 'India to Help Strengthen Afghan Security Forces,' *Defence News*, 3 June 2011 (<http://www.defencenews.in/defence-news-internal.asp?get=new&id=510>); or 'India to Help Strengthen Afghan Security Forces,' *Daily Outlook Afghanistan*, 2 June 2011.

Police, ANA and ANP respectively).<sup>75</sup> According to leaked correspondence from the US embassy in Delhi,

Currently, the GOI [Government of India] trains approximately 100 ANA members annually in India, and would like to step up this programme. India has offered its Advanced Light Helicopter to Afghanistan as well as pilot training to the new Afghan air force. The GOI has provided cars and trucks to the Afghan military. Officials tell us they have discussed with Afghan officials the possibility of training Afghan police women and bomb disposal specialists, but no large-scale training has yet taken place.<sup>76</sup>

India now has an entrenched relationship with the Afghan security forces and has bolstered its assistance to the ANP. By nurturing this relationship, Delhi's ties extend beyond the strictly political to institutions that will likely outlast the present Afghan government.

At the political level, Delhi is bracing itself for an uncertain future. Offering unwavering support to President Karzai's regime, Delhi has endorsed the Taliban reconciliation programme – a presidential initiative that inevitably, and paradoxically, compromises the president's power and, counter intuitively, cedes space for Pakistani influence. Yet this represents a realistic assessment. Negotiations with the Taliban will proceed, however intermittently, with or without Delhi's approval; an obstructive posture would alienate India from the mainstream and secure no dividends. A conciliatory approach brings forth the durable policy architecture adopted by Delhi following Soviet withdrawal from Afghanistan in 1989 (when then-Prime Minister Rao committed to dealing with whoever rose to power in Kabul) and allows India the flexibility it needs to engage Afghanistan in the future. As M.K. Bhadrakumar explains,

This brings us to a template that is going to be very crucial. The [Indian] government has done extraordinarily well in doing all that is possible to dispel the cloud of suspicion in the Pakistani mind about India's intentions in Afghanistan – that our two countries needn't be locked in a zero-sum game...Of course, Pakistan would have lingering suspicions; and India's security worries, too, are profound. And it is going to be a long way down the line before India and Pakistan can actually think of cooperating in the stabilisation of Afghanistan. But the incremental removal of the 'Afghan contradiction' from the cauldron of India-Pakistan differences...will make a little bit lighter the burden of working out an enduring Afghan settlement.<sup>77</sup>

In this sense, India appears to be heeding the call of its foreign policy analysts; 'Counter-intuitive as this seems to some Indians, given the country's frequent victimisation by cross-border terrorism,' writes David M. Malone, 'it makes sense that India should do all in its

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<sup>75</sup> See: Special Correspondent, 'India Committed to Building the Capabilities of Afghan Security Forces,' *The Hindu*, 2 June 2011.

<sup>76</sup> Leaked document quoted in article, see: '2010: The Growing US-India Defence Ties,' *The Dawn*, 24 May 2011(<http://www.dawn.com/2011/05/24/2010-the-growing-us-india-defence-ties.html>).

<sup>77</sup> M.K. Bhadrakumar, 'Manmohan Singh Resets Afghan Policy,' *The Hindu*, 16 May 2011.



power to avoid aggravating Pakistan's torment, and that it should, whenever circumstances allow, reach out.<sup>78</sup>

As its politicians craft an increasingly flexible strategy, the Indian commercial sector, too, is developing a creative approach to Afghanistan. In an unprecedented move, the Steel Authority of India Limited (SAIL) announced in July 2011 that it would bring together six Indian steel companies to form a consortium designed to acquire Afghanistan's Hajigak iron ore deposits.<sup>79</sup> The consortium's successful bid for four of the five Hajigak blocks was announced in November 2011.<sup>80</sup> The announcement came one month after India revealed plans to construct 900km of railway track, connecting the Hajigak region of Afghanistan with the India-financed Chabahar port in Iran.<sup>81</sup>

Public-Private Partnerships (PPPs) have become popular in India, but the SAIL initiative is a rare instance of an Indian PPP bidding for a foreign raw material asset. The impetus behind the consortium, a first in India and impressive given the companies' traditional rivalry, was twofold: first, the disparate bids of 15 independent and state-run Indian companies could not compete with the global giants (such as the China Metallurgical Group, currently developing Afghanistan's Aynak copper mine); second, there is strength in numbers, the consortium will be better placed to defend its assets. One steel company spokesperson expressed an interest in partnering with an American or European firm to exploit the presence of US-NATO forces (an idea that parallels the trilateral development proposition mentioned above<sup>82</sup>). Opportunities for collaboration in security and transportation could be explored with the Canadian company that acquired the single remaining Hajigak concession.

There are evidently geopolitical considerations behind the Indian government's decision to back the bid, which will allow India a greater role in Afghanistan's transformation. The 1.8 billion tonne Hajigak iron ore mines lie in central Afghanistan's Bamiyan province, once a nodal point along the ancient Silk Route. Today, plans are emerging for an international effort to develop Bamiyan province into a thriving industrial center, reintegrating Afghanistan into the global market.<sup>83</sup> This is part of a larger effort to re-establish Afghanistan's traditional role as a trade and transport hub, linking Europe and the Middle East with the Indian sub-continent and South-east Asia.<sup>84</sup> A future thus envisioned largely depends on the actions and interactions of Afghanistan's neighbours. In this respect, Afghanistan should be understood as a test case for regional cooperation. As India refashions

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<sup>78</sup> Malone, *Does the Elephant Dance?* p.112.

<sup>79</sup> Rajesh Roy and R Jai Krishna, 'Indian Consortium to Bid for Afghanistan Deposits,' *Wall Street Journal*, 26 July 2011.

<sup>80</sup> Dion Nissenbaum, 'India Wins Bid for "Jewel" of Afghan Ore Deposits,' *Wall Street Journal*, 30 November 2011.

<sup>81</sup> Jayanth Jacob and Saubhadra Chatterji, 'India's Track 3: Afghan-Iran Rail Link,' *Hindustan Times*, 1 November 2011.

<sup>82</sup> Sambit Saha, 'Steel Alliance for Afghan Mine,' *The Telegraph (Calcutta)*, 6 June 2011.

<sup>83</sup> Prince Matthews Thomas and Cuckoo Paul, 'India's Iron Ore Play in Afghanistan,' *Forbes India*, May 2011 (see: <http://www.forbes.com/2011/05/10/forbes-india-ore-play-in-afghanistan.html>).

<sup>84</sup> Andrew C. Kuchins, 'A Truly Regional Economic Strategy for Afghanistan,' *The Washington Quarterly*, Spring 2011, p.77.

its Afghan strategy, and the significance of the US and Pakistan begin to diminish, the emerging test will involve searching for a hitherto elusive regional consensus.

### **Think Regional, Act Regional: The Way Forward**

As described above, India's engagement with Afghanistan in 2001 was driven by the convergence of its enhanced capacity and the opportunity to circumvent Pakistan by way of the American security umbrella. Other regional players were undoubtedly a consideration, but Pakistan and the US were essential to rising-India's keen agenda in Afghanistan – these were the crucial variables at the core of the Afghan 'test case'. Over time it became clear that the US did not have the appetite or the means for stabilising 'Af-Pak' and Pakistan remained an obdurate central feature in Afghanistan, requiring Delhi to develop an accommodative posture.

US withdrawal from volatile Afghanistan, leaving Pakistan and its desperately aid-dependent military vulnerable, recalls the attendant circumstances of the Soviet retreat in 1989. Now, as Delhi reflects on its position, it has recourse to policy markers established fleetingly during that chaotic period two decades earlier. While it appears that Delhi is incorporating these flexible parameters into a strategic framework, there is an important distinction between India's position then and now. In the intervening years, India acquired an enormous amount of economic, political, and social capital. These were the assets that encouraged India's active involvement in Afghanistan after 2001, and these are the assets that will bolster its engagement today. With receding US influence and a stalemate with Pakistan, Delhi needs to redeploy these resources to leverage its neighbours and work towards building a regional consensus.

Discussing Indian foreign policy, Raja Mohan has evoked the image of three concentric circles encompassing, respectively, the immediate neighbourhood, in which India seeks primacy; the extended neighbourhood (reaching across Asia and the Indian Ocean littoral), in which India seeks to balance; and the international arena, in which India seeks status.<sup>85</sup> Regarding Afghanistan at the present juncture, the flexibility and strategic potential of Delhi's policy options are arguably greatest at the intermediate level, where relations with regional players are uncertain but the need to constructively engage is plain.

Relations are uncertain to the extent that the political will necessary to craft a regional approach to Afghanistan is lacking. It is understood that a critical step towards creating an environment conducive to Afghanistan's reconstruction involves the reduction of divergence and competition in regional strategies.<sup>86</sup> Yet, most believe that the 'wider forms of regional cooperation that are in principle desirable to foster stability and development in

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<sup>85</sup> See C. Raja Mohan, 'India and the Balance of Powers,' *Foreign Affairs* 85.4 (July/August 2006).

<sup>86</sup> Ashley J. Tellis, 'Creating New Facts on the Ground: Why the Diplomatic Surge Cannot Yet Produce a Regional Solution in Afghanistan,' *Carnegie Endowment for International Peace* (Policy Brief #91), May 2011.

Afghanistan...will in practice be unattainable.<sup>87</sup> Although competing national interests cannot be easily reconciled, it is certainly possible for incremental efforts to consolidate those interests that do overlap. India is well-placed to encourage such a process. Despite the deviating interests of other key players in the region (China, Russia, Iran, the Central Asian Republics, and Saudi Arabia) and the US, India's interests and policies broadly converge with most involved (with the obvious exception of Pakistan).<sup>88</sup>

Given the divergent strategies of other relevant actors and the limited resources available to the MEA, Delhi cannot facilitate a grand bargain. However, India has already taken a lead by actively promoting the economic integration of Afghanistan and South Asia, and similar efforts should build on this approach. There is a relatively broad consensus amongst development scholars and practitioners that the only viable long-term path to rebuilding and reintegrating Afghanistan is by reviving its historic function as a continental cross-road.<sup>89</sup> India, which has been instrumental in building transit routes within Afghanistan, can be at the forefront of international and regional efforts to this end.

India's unique position has been summed up by Afghanistan's Minister for Mines, Wahidullah Shahrani, in an interview with *Business Standard*:

India is in a very advantageous position. Besides the traditional and historical linkages between the two countries and their strategic relationship, India has become the fourth largest economy in the world and, by 2030, India will become the world's largest consumer of commodities. After Hajigak, in July this year, I will put five major projects on tender: Three copper and two gold deposits in different parts of the country and, in February 2012, I will put a huge oil basin in the northern city of Mazar-e-Sharif on tender. In addition, we are having good negotiations with Indian companies for developing chromite deposits. The economic advantage of most of Afghanistan's deposits is that they are open-pit deposits, and commercially very viable. Plus the potential of cement. We are a post-conflict country, which is expecting to consume about 6.5 million tonnes of cement annually. India is the world's third largest producer of cement and we have been negotiating with a number of Indian companies for investment in this very important sector.<sup>90</sup>

India's domestic demand for raw materials has the potential to drive growth in Afghanistan, but its industrial investments will also need outlets outside India, which in turn requires cooperative regional partners. India has indicated its support for a suitable forum to bring together the major regional stakeholders in Afghanistan.<sup>91</sup> However, periodic attempts to

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<sup>87</sup> Jessica T. Matthews, 'Introduction,' *Through Their Eyes: Possibilities for a Regional Approach to Afghanistan* (Washington: Carnegie Endowment for International Peace, 2010), p.4.

<sup>88</sup> Guatam Mukhopadhaya, 'India,' *Through Their Eyes: Possibilities for a Regional Approach to Afghanistan* (Washington: Carnegie Endowment for International Peace, 2010), p.33.

<sup>89</sup> See: Kuchins, 'A Truly Regional Economic Strategy for Afghanistan.'

<sup>90</sup> Ajai Shukla, 'Q&A with Wahidulla Shahrani, Minister for Mines, Afghanistan,' *Business Standard*, 12 June 2011.

<sup>91</sup> Guatam Mukhopadhaya, 'India,' p.31.

structure a formal regional approach, through such avenues as the Regional Economic Cooperation Conference and the Istanbul Conference, have not yielded concrete results.<sup>92</sup> Beyond the scope of ad hoc initiatives, a move towards more institutionalised mechanisms for regional cooperation might prove successful.

High on the agenda at the 10<sup>th</sup> summit of the Shanghai Cooperation Organisation (SCO) in June 2011 was the issue of expanding the six-nation regional body, which has been dominated by China and Russia for a decade. India and Pakistan currently hold observer status at the SCO, and both are being considered for full admission. There are also plans to upgrade Afghanistan's status from SCO invitee to observer.<sup>93</sup> The traumatic experience of the Soviet war in Afghanistan makes Russia and the Central Asian states reluctant to engage in security-related activities there.<sup>94</sup> Nevertheless, the SCO is in a position to play an important role in the stabilisation, reconstruction, and reintegration of Afghanistan after 2014. According to Kazakhstan President Nursultan Nazarbayev, whose country held the rotating chairmanship until July 2011, 'We cannot rule out that the SCO may have to bear the brunt of resolving many problems that Afghanistan will face after the withdrawal of the international coalition forces in 2014.'<sup>95</sup>

India's reservations concerning US withdrawal from Afghanistan have been rendered irrelevant by events on the ground – the incremental drawdown of American and coalition troops has commenced. The SCO offers a promising avenue by which India can offset some of its anxiety surrounding the possibility of a security vacuum, and can work to achieve several of the objectives that remained elusive throughout its engagement with US-NATO-occupied Afghanistan. By entering into an association led by China, India will be addressing a wider and more acute strategic priority – managing relations with its larger, more powerful neighbour – but it may also enable Delhi to pressure Pakistan into cooperating in Afghanistan (Beijing's considerable leverage over Islamabad would be instrumental here, particularly given that China's own 'jihadist challenge' is on the rise and increasingly linked to Pakistan<sup>96</sup>). Increased cooperation with the SCO will also improve India's access to Central Asian energy reserves and markets. Here again, the members and mechanisms of the SCO can discourage Pakistani recalcitrance.

Uniquely, Delhi acknowledges the centrality of Iran to the regional security equation, and openly encourages greater engagement with Iran on issues pertaining to Afghanistan. Indian Foreign Secretary, Ranjan Mathai, recently called on the international community to 'add Iran to the list of countries needing to be discussed' when looking at 'the prospects for stability in Asia in connection with Afghanistan.'<sup>97</sup> Despite their troubled trade relations (and

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<sup>92</sup> Arvind Gupta and Smruti Patnaik, 'Istanbul Conference on Afghanistan: A Feeble Attempt at a Regional Solution,' *IDSIA Comment* (New Delhi: Institute for Defence and Security Analyses), 4 November 2011.

<sup>93</sup> Sandeep Dikshit, 'Plan to Upgrade Afghanistan in SCO of Interest to India,' *The Hindu*, 14 June 2011.

<sup>94</sup> Vladimir Radyuhin, 'SCO: 10 Years of Evolution and Impact,' *The Hindu*, 14 June 2011.

<sup>95</sup> *Ibid.*

<sup>96</sup> Praveen Swami, 'Beijing's Increasing Jihadist Challenge,' *The Hindu*, 4 August, 2011.

<sup>97</sup> Ranjan Mathai, 'Forging Stability in Asia: Keynote Address at MEA-IISS-IDSIA Dialogue' (New Delhi: Institute for Defence and Security Analyses) 21 November 2011.

Washington's opposition), India has recently extended an overture to Iran concerning Afghanistan, and Delhi and Tehran are now engaged in structured consultations on the issue.<sup>98</sup> To be sure, India realises the need to incorporate actors that share its anxiety over a resurgent Taliban. But in so doing, Delhi is demonstrating its commitment to regional cooperation on Afghanistan (to the detriment of its relations with the US), and endorsing a regional project that involves all stakeholders.

The trajectory of India's current Afghan strategy requires that it engage with its regional counterparts. It is unlikely that India has the capacity to persuade neighbouring states to rally around a broad political agenda.<sup>99</sup> However, regional actors agree that alignment over Afghanistan is necessary. India's historical linkages and increasingly dynamic engagement with Afghanistan will be instrumental in coordinating a regional approach.

## Conclusion

But sound foreign policy, as the history of 20<sup>th</sup> century politics demonstrates, is as much a matter of sound historical judgment and a subtle negotiation with the realities of power as it is a question of raw capabilities. It may turn out that India's caution will serve it better than the recklessness that comes with illusions of power.<sup>100</sup>

The contemporary history of India's engagement with Afghanistan substantiates Pratap Bhanu Mehta's prognosis. Although India's approach to Afghanistan could never be called reckless, the preceding discussion has demonstrated that a departure from traditionally restrained policies occurred in Delhi following the American invasion of Afghanistan in 2001. This policy shift came at the apogee of sustained economic growth and reflected, in part, a misconceived interpretation of Indian geopolitical capacity. India's illusion was not of power itself, but of the ability to translate power resources from one context to another.

Delhi is now developing a flexible policy framework in Afghanistan that accords with its strategic regional interests and reflects a reassessment of its geopolitical limitations. Politically, India is preparing to engage with any formulation of government in Afghanistan. Delhi has entrenched relations with the Afghan security forces, and indicated a willingness to enhance cooperation in this sector. On the development front, India is substituting its high visibility projects for a hands-off approach, while maintaining a wide-spread network of localised assistance and capacity-building initiatives. By deepening its ties with both the population and the political elite, India will increasingly make itself indispensable to whatever situation emerges in Afghanistan. Furthermore, nurturing these relations allows India to better pursue its commercial and energy interests in Afghanistan and Central Asia.

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<sup>98</sup> Harsh V. Pant, 'India's Relations with Iran: Much Ado About Nothing,' *The Washington Quarterly* (Winter 2011), p.65.

<sup>99</sup> On cooperative hegemony, see: Thomas Pedersen, 'Cooperative Hegemony: Power, Ideas, and Institutions in Regional Integration,' *Review of International Studies* 28 (2002), p.689.

<sup>100</sup> Mehta, 'Still Under Nehru's Shadow,' p.232.

Looking forward, India's strategy in Afghanistan increasingly relies on a conciliatory regional environment. As international forces withdraw from Afghanistan, India is positioned to be at the forefront of a regional approach to the reconstruction of Afghanistan. Moreover, the broad convergence of Indian interests in Afghanistan with those of other key regional actors provides occasion for India to apprehend its region as opportunity, rather than constraint.

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