

ISAS Brief

No. 346 – 3 October 2014

Institute of South Asian Studies
National University of Singapore
29 Heng Mui Keng Terrace
#08-06 (Block B)
Singapore 119620
Tel: (65) 6516 4239 Fax: (65) 6776 7505
www.isas.nus.edu.sg
<http://southasiandiaspora.org>



‘Neighbourhood First’: Modi’s Foreign Policy *Mantra*

Rajeev Ranjan Chaturvedy¹

India’s former Prime Minister Atal Behari Vajpayee used to say, “Friends can change but not neighbours who have to live together”. A country’s neighbourhood must enjoy unquestioned primacy in its foreign-policy making. This is distinctly evident in India’s new Prime Minister Narendra Modi’s foreign policy mantra – “neighbourhood first”.

Speaking during the general debate of the 69th session of the United Nations General Assembly (UNGA), Narendra Modi aptly remarked, “A nation’s destiny is linked to its neighbourhood. That is why my government has placed the highest priority on advancing friendship and cooperation with its neighbours”. Indeed, for India, achieving the objective of becoming one of the key powers in Asia depends entirely on India’s ability to manage its immediate neighbourhood. India can become a credible power on the global stage only after attaining enduring primacy in its own neighbourhood.

The Modi Government desires a peaceful and stable environment for India’s development, and the government has clearly indicated its priority for building stronger ties with its South Asian

¹ Mr Rajeev Ranjan Chaturvedy is Research Associate at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore. He can be contacted at isasrrc@nus.edu.sg. Opinions expressed in this paper, based on research by the author, do not necessarily reflect the views of ISAS.

neighbours. An account of the Modi government's foreign policy activism in its first few months in office provides ample evidence of this. For example, the India-Nepal Joint Commission which had remained frozen for 23 years got into action and reviewed "the entire gamut of bilateral relations". Similarly, inviting the President of Sri Lanka and having a meaningful engagement with him, despite opposition from some regional Indian political parties, is another case in point.

Further, Delhi's priority towards its neighbourhood was manifest in the first presidential address to parliament, which underlined the new Indian Government's "determination to work towards building a peaceful, stable and economically inter-linked neighbourhood which is essential for the collective development and prosperity of the South Asian Region". Certainly, "neighbourhood first" was also evident in the exceptional invitation to South Asian leaders to attend Modi's swearing-in ceremony. Also, both the Prime Minister and Foreign Minister Sushma Swaraj illustrated their commitment to "neighbourhood first", making their first foreign visits to South Asian neighbours.

The External Affairs Ministry's Public Diplomacy Division has published an impressive document filled with ample evidence of the new government's important global engagement, with clarity of purpose, in its initial phase. A BJP-led government is remembered for its noteworthy achievements in the past (including India's nuclear tests). The immediate attention towards South Asia, followed by actions, has more than nullified the negative impact of years of inaction and neglect.

Nonetheless, the challenge for Indian diplomacy lies in convincing its neighbours that India is an opportunity, not a threat. Far from being encircled by India, they can gain access to a vast market and to a productive hinterland that could provide their economies with far greater opportunities for growth than if they were to rely on their domestic markets alone. Intra-South Asian trade remains limited, and its growth is unsteady and slow. Economic cooperation represents the easiest "sell" to various constituencies within the countries of the region. Modi has signalled on several occasions that "a strong economy is the driver of an effective foreign policy". Therefore, economic diplomacy is likely to be a key element in facilitating India's economic revival.

In fact, Modi has hinted at strengthening infrastructure connectivity, creating business- friendly environment in India by easing restrictions, reducing non-tariff barriers, boosting regional cooperation, and integrating common markets. For instance, articulating his idea on trans-Himalayan regionalism during his visit to Bhutan and Nepal, Modi emphasised that the trans-Himalayan region holds the keystone for Asian culture, environmental, political and regional security. Indisputably, mutual partnership could herald a new level of positivity. Should such policies prove to be successful, cooperation on more divisive and sensitive issues such as terrorism, separatism, insurgency, religious fundamentalism, and ethnic strife, could be attempted with greater chances of success.

Notably, while Modi's priority is constructive engagement of neighbours, he has also sent a strong message to all neighbours of India that if and when required, India can be uncompromisingly tough. At least, this was crystal clear in the case of Pakistan, when India called off the Foreign Secretary level talks in protest against Pakistan's continued engagement with the Kashmir Hurriyat leaders, despite India's warning of negative consequences of such actions.

Further, rebuffing Pakistan for raising the Kashmir issue at the UNGA, Narendra Modi underlined that he was prepared to engage in a serious bilateral dialogue with Pakistan "without the shadow of terrorism" but asked it to create an "appropriate environment" for that. He made it clear to Pakistan that "raising issues in this forum [UN] is not the way to make progress towards resolving issues between our two countries". Nonetheless, it would be challenging for the Modi government to constructively engage Pakistan.

A strategy for each neighbouring country (and sometimes cross-cutting ones for several neighbours) may require better coordination among various units of government in Delhi than has been the case to date. Also, a stronger role for the Prime Minister's office, as has emerged in the formative months of the Modi Government, and a greater mutual engagement of the foreign and security ministries could yield significant dividends.

Modi's neighbourly instincts have raised huge expectations from India's foreign policy. It will call for a sincere hard work and coordinated effort by the officials concerned and other stakeholders for the timely delivery of promises. Undoubtedly, India needs to devote more diplomatic and political energy towards tending its relationship with immediate neighbours.

The Indian economy is growing at a much quicker pace than the other South Asian countries, and given the disparity between the size of these economies, India will continue to outpace the others in the years to come. This will give India certain advantages over the other countries but it may also give rise to some difficulties.

Notably, the ambitious agenda outlined in the past by the Congress-led government remains greatly unfulfilled. For example, while the previous government visualised making the borders irrelevant, it could not complete any major trans-border connectivity project. One of the important reasons for the previous government's inability to walk the talk was its unwillingness to take timely decisions. Empty symbolism and delayed actions adversely affected critical relations and denied any major breakthroughs in India's neighbourhood. This was clearly evident in the case of Delhi-Dhaka ties. The significance of the developments with Bangladesh was lost, in the region and beyond, amidst the controversy over the Teesta water sharing that Manmohan Singh could not sign because of West Bengal Chief Minister Mamata Banerjee's last-minute objections.

Manmohan Singh was unable to put forward an overarching political framework to engage India's neighbours, which is equally important as economic initiatives. More importantly, under domestic political compulsions, Singh tried to woo all political allies, which hampered rare strategic opportunities that came his way. Indeed, he diluted the central government's role in the definition and execution of foreign policy initiatives. Institutional deficits apart, the previous government's 'cautious approach' and 'delivery deficit' held back India's natural progress. Self-doubt, fears about losing strategic autonomy, and domestic political concerns significantly limited New Delhi's capacity to transform its relations with South Asian neighbours.

It remains to be seen how the Modi Government addresses some of the key structural bottlenecks constraining India's foreign policy. So far, it has embarked on a profound political and diplomatic engagement with neighbours.

India faces a formidable task in transforming its immediate neighbourhood. As an old saying goes, "Siddhir Bhavati Karmja", which means, "success is born of action". Onus lies on implementation of Modi's mantra of "neighbourhood first". It will all depend on Modi's ability

to ensure that there is no delivery deficit between policy and performance, to turn his vision into reality and to fulfil his promises.

.