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INDIA'S FOREIGN POLICY AND EXTERNAL RELATIONS

For
UPSC AND CIVIL SERVICES EXAMINATIONS

FIRST EDITION - 2026




THEORY
TO PRACTICE


STRATEGIC
INSIGHTS


CURRENT
DEVELOPMENTS


IN-DEPTH
ANALYSIS


ANSWER
WRITING FOCUS

**“ From Ancient Wisdom
to Global Leadership
India's Journey Continues... ”**



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India's Foreign Policy and External Relations

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PREFACE

The global landscape of 2026 is defined by a transition from unipolar hegemony to a polycentric, multipolar world order. As states navigate this volatile "polycrisis"—marked by escalating great-power competition, supply chain disruptions, and transnational security vulnerabilities—the execution of a nation's foreign policy has emerged as the ultimate expression of its sovereign national interest. For India, this era marks a definitive shift from the ideological hesitations of the past toward a self-assured posture as a "Leading Power" practiced through Dr. S. Jaishankar's framework of "Nimble Diplomacy" and strategic multi-alignment.

This text is specifically structured as an indispensable, high-yield companion for civil service aspirants preparing for the General Studies Main Exam in 2026. In the UPSC Civil Services Examination, international relations questions have evolved beyond descriptive bilateral histories; the contemporary evaluation demands rigorous analytical precision, structural clarity, data-driven empirical evidence, and a deep appreciation of the theoretical frameworks that drive statecraft.

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 - *External (Exogenous) Variables*: International power structures (Unipolarity to Polycentric Multipolarity), military deterrence, alliance dynamics, and the rules-based international order.
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- 2. The Taliban 2.0 Reality (Post-2021)
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 - **The 2025–2026 Ministerial Milestone:** First direct contact between EAM Jaishankar and Amir Khan Muttaqi; humanitarian wheat transit via Iran's Chabahar Port.
- 3. Strategic Realism & The Eurasian Crossroads
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 - *The October 2024 Patrolling Breakthrough:* Agreement to resume patrolling to the pre-May 2020 status quo in Depsang and Demchok.
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- 2. Deep-Dive into Contentious Vectors
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 - *Trans-Boundary Hydro-politics:* The groundbreaking of China's 60 GW Medog Super-Dam on the Yarlung Tsangpo (July 2025) and India's counter-strategy of "Prior Appropriation" via the 11,000 MW Siang Upper Multipurpose Project (SUMP).
 - *The IOR Great Game:* China's "String of Pearls" vs. India's "Necklace of Diamonds" (Agaléga base, Great Nicobar command, INS Varsha subsurface SSBN base, and the Colombo Security Conclave).
 - *The Trade Asymmetry:* The trade deficit scaling past \$112 billion; vulnerabilities in APIs and green tech inputs; and defensive PLI countermeasures.
 - *South China Sea (SCS):* Invalidation of the Nine-Dash Line, ONGC Videsh Block 128 defiance, and the delivery of the BrahMos cruise missile system to the Philippines.
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 - Cold War "Estranged Democracy" phase: Pakistan's military induction into SEATO/CENTO and the 1971 Indo-Soviet Treaty shield.
 - *The Turning Point (1998–2008)*: The Jaswant-Talbott dialogue, Vajpayee's "Natural Allies" baseline, the NSSP framework, and ending nuclear apartheid via the *2008 Civil Nuclear Deal*.
- 2. The Modern Defense Pillar & Interoperability
 - Designation as a *Major Defence Partner (MDP) (2016)* and Strategic Trade Authorisation-1 (STA-1) status.
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 - *Industrial Deepening*: Joint co-production of GE F414 jet engines in India and the INDUS-X defense startup innovation bridge.
 - Empirical tracking: Assessment of the SIPRI 2018–2022 import profile (Russia 45%, France 29%, US 11%).
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 - Civilian space integration via the Artemis Accords (2023)

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- 4. Navigating the Trump 2.0 Era (2025–2026)
 - Managing "America First" transactional friction: The *April 2025 Reciprocal Tariff Clash* and ongoing early-harvest trade deal negotiations.
 - Immigration and visa friction: H1B wage thresholds and undocumented worker deportations.
 - Strategic Autonomy resilience: Washington's tacit waivers for Indian purchases of Russian S-400 systems and crude oil imports.

Pillar V: Scholar Doctrines & Strategic Compendium (For Answer Writing)

Scholar / Statesman	Core Theoretical Concept	Main Strategic Prescription
Dr. S. Jaishankar	<i>The Three Mutuals & Realist Bharat Statecraft</i>	Peace along the LAC is non-negotiable for normalcy; statecraft must study Chinese long-term planning and use asymmetric economic/technological checks (Sun Tzu metrics).
C. Raja Mohan	<i>Pragmatic Power Maximization & Sub-Regionalism</i>	Narrow the aggregate power gap with China by leveraging deep strategic and technological partnerships with the West; bypass SAARC via BIMSTEC.

Amb. Shivshankar Menon	<i>The Strategic Autonomy Dilemma</i>	Asymmetric power accumulation by an adversarial neighbor necessitates hard external balancing (e.g., the Quad), ending dogmatic non-alignment.
Prof. T.V. Paul	<i>Normative Soft Balancing</i>	Relates to early NAM; weak nations using values, peace diplomacy, and international law to delegitimize great power military excess.
Prof. S.D. Muni	<i>The Normalization Realist Perspective</i>	Shed the "Big Brother" syndrome; allow neighbors standard diplomatic expansion (e.g., Bhutan/Nepal) while strictly policing hard security Red Lines.

Scholar / Statesman	Core Theoretical Concept	Main Strategic Prescription
Amb. Shyam Saran	<i>Convergent Global Commons Diplomacy</i>	Utilize BASIC and G77 platforms to lead the Global South on equity, climate justice, and Common but Differentiated Responsibilities (CBDR).

Unit -1

Foreign Policy & National Interest

Foreign Policy represents the strategic framework through which a nation-state interacts with external entities to secure its **national interests**. It is the external dimension of a state's sovereignty, translating domestic goals—political, economic, and security—into global action.

FOREIGN POLICY & NATIONAL INTEREST

Foreign Policy represents the strategic framework through which a nation-state interacts with external entities to secure its national interests.

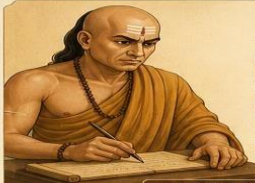
It is the external dimension of a state's sovereignty, translating domestic goals—**political, economic, and security**—into global action.



India's Foreign Policy – Rooted in Wisdom, Driven by National Interest

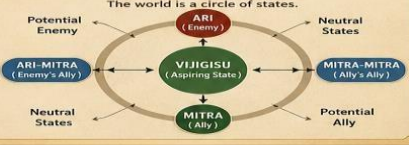
1. PHILOSOPHICAL & HISTORICAL FOUNDATIONS

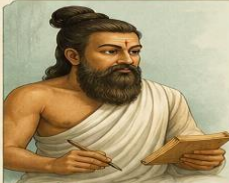
India's approach to diplomacy is deeply rooted in ancient political realism:



KAUTILYA'S ARTHASHASTRA
Introduced the **MANDALA THEORY**, asserting that nations act primarily based on political, economic, and military self-interest.

MANDALA THEORY
The world is a circle of states.





THIRUKKURAL
Provides a timeless ethical framework for diplomacy, specifically outlining the attributes of an envoy (**THOODHU**)—integrity, wisdom, and eloquent delivery—as essential for statecraft.

ATTRIBUTES OF AN ENVOY (THOODHU)

- INTEGRITY (NANMAI)**
Upholds honesty and loyalty; worthy of the king's trust.
- WISDOM (ARIVU)**
Possesses deep understanding of time, place, people, and policy.
- ELOQUENT DELIVERY (SOLVANMAI)**
Communicates with clarity, persuasiveness, and diplomacy.

WISE IN PRINCIPLE. STRATEGIC IN ACTION. COMMITTED TO NATIONAL INTEREST.







SOVEREIGNTY PROTECTED | PROSPERITY PURSUED | PEACE PROMOTED | WORLD ENGAGED

1. Philosophical & Historical Foundations

India's approach to diplomacy is deeply rooted in ancient political realism:

- **Kautilya's Arthashastra:** Introduced the **Mandala Theory**, asserting that nations act primarily based on political, economic, and military self-interest.
- **Thirukkural:** Provides a timeless ethical framework for diplomacy, specifically outlining the **attributes of an envoy (Thoodhu)**—integrity, wisdom, and eloquent delivery—as essential for statecraft.

2. The Primacy of National Interest

At its core, foreign policy is a dynamic tool to promote a country's **comprehensive national power (CNP)**. It operates on two levels:

- **Bilateral:** Direct engagement with individual nations.
- **Multilateral:** Navigating global institutions and collective frameworks to shape international norms.

3. Determinants: The Spatial and Temporal Shift

Foreign policy is not static; it is shaped by a complex interplay of internal and external factors:

- **Geopolitical Theories:** Traditionally, views were dominated by **Mackinder's Heartland Theory** (primacy of land power) or **Alfred Mahan's Sea Power** doctrine.
-

- **Modern Context:** Today, these factors are influenced by **spatial** (geographical location) and **temporal** (evolving global order) shifts, where technology, supply chain resilience, and climate diplomacy have become as critical as traditional military strength.

Unit - 2

Determinants of Foreign Policy

The foreign policy of a nation is rarely a product of isolated decision-making; it is a complex synthesis of **Internal (Endogenous)** and **External (Exogenous)** variables.

1. Internal/Domestic Factors

These factors provide the "moral and material" basis for a nation's external stance.

- **History & Civilizational Legacy:** Historical experiences (e.g., India's colonial past) often lead to a pursuit of **Strategic Autonomy** and a preference for non-alignment or multi-alignment.
- **National Identity & Culture:** A nation's "Self-Image" (e.g., India as a *Vishwa Bandhu* or Global Friend) shapes its soft power and diplomatic rhetoric.
- **Political Structure & Leadership:** The nature of the state (Democracy vs. Autocracy) affects the speed and transparency of

policy. Strong political leadership often provides the "political will" for bold shifts, such as India's '**Act East**' policy.

- **Economic Scale & Nature:** The size of the GDP and the need for resource security (Energy/Tech) dictate trade agreements and economic diplomacy.
- **Domestic Public Opinion:** In a vibrant democracy, domestic aspirations and regional sentiments (e.g., Tamil Nadu's influence on India-Sri Lanka relations) act as a vital check and balance.

2. External/Systemic Factors

These represent the "operating environment" that constrains or enables a nation's choices.

- **International Power Structure:** The shift from a Unipolar world to a **Multipolar** or "Polycentric" world forces nations to constantly recalibrate their alignments.
- **Military Strength & Deterrence:** A nation's kinetic capability and nuclear posture determine its "bargaining power" in global security architectures.
- **Alliances and Coalitions:** Participation in groupings like **QUAD, BRICS, or SCO** allows nations to amplify their influence and share the burden of regional security.
- **Geopolitics & Regional Situation:** Geography is the most permanent factor. A "difficult neighborhood" or a strategic location (e.g., India's central position in the **Indian Ocean Region**) necessitates a proactive regional policy.
- **Global Public Opinion & International Law:** The need for "Moral Legitimacy" and adherence to a **Rules-Based International Order**

influences how a nation justifies its actions on the global stage.

A. Historical Determinants: The Tapestry of Statecraft

History provides the "genetic code" of a nation's foreign policy. For India, historical consciousness is not just about the past; it is a lens through which current global power dynamics are filtered.

1. The Colonial Legacy and 'Strategic Autonomy'

- **Legacy of Suspicion:** The traumatic experience of British colonialism instilled a deep-seated caution toward Western-led military alliances. This directly birthed the **Non-Aligned Movement (NAM)**—a refusal to be a "junior partner" to any superpower.
- **The 1971 Paradigm:** Historical necessity during the Bangladesh Liberation War led to the **Indo-Soviet Treaty**, demonstrating that India's foreign policy is pragmatic, prioritizing national survival over rigid ideology.

•

2. Territorial Inheritance and Conflict

- **The 'Borders of Contention':** The unresolved disputes with **Pakistan** and **China** are direct legacies of colonial cartography (e.g., the McMahon Line and the Radcliffe Line). These historical scars necessitate a "Security-First" approach in India's regional diplomacy.
- **Civilizational Links:** Conversely, India leverages its ancient history (Greater India, Silk Road ties) to strengthen relations through **Cultural Diplomacy** (e.g., the Buddhist Circuit, Project Mausam).

3. Historical Evolution: From Rivalry to Partnership

- **Transcending History:** As you noted with France and Germany, history is not destiny. India's evolving relationship with the **United States** (from "estranged democracies" to "strategic partners") proves that contemporary economic and security interests can override historical friction.
- **The Pragmatic Shift:** While history explains the *origin* of a policy, current **Comprehensive National Power (CNP)** dictates its *future*. India now engages with the West not from a position of colonial suspicion, but as a "Leading Power" in a multipolar world.

B. National Identity and Culture: The Power of Perception

A nation's foreign policy is an outward projection of its internal identity. How a country views itself—whether as a "Revolutionary Power," a "Hegemon," or a "Vishwa Mitra" (Global Friend)—dictates its strategic behavior.

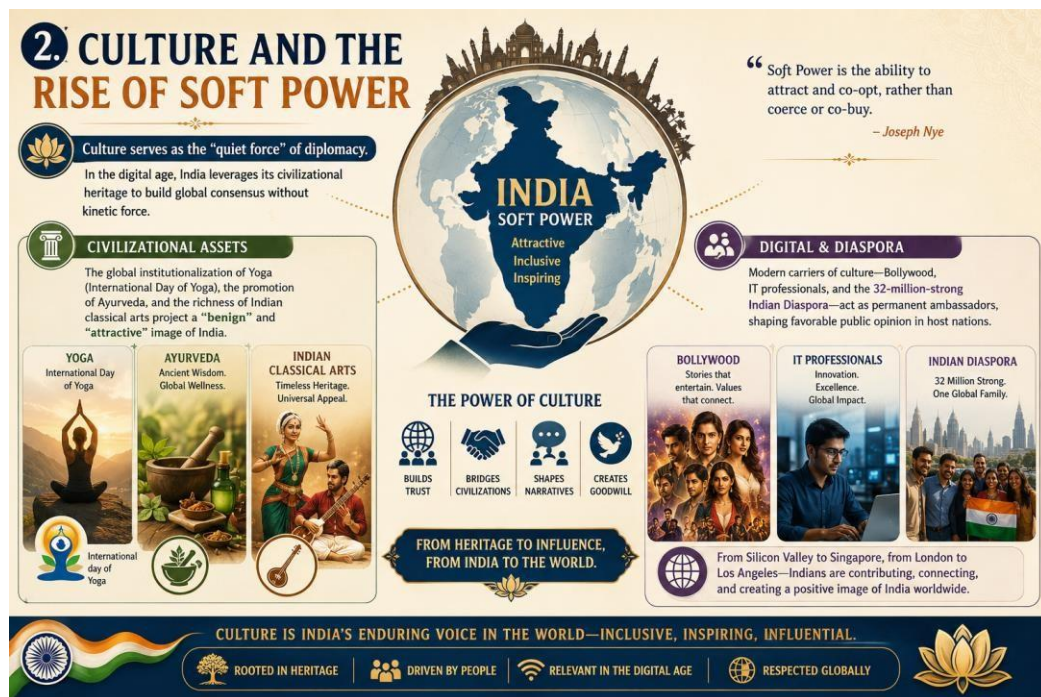
1. Identity as a Strategic Driver

- **The Status of a 'Leading Power':** Unlike a superpower that may use coercive "Hard Power," India identifies as a **responsible middle power** transitioning into a **leading power**. This identity promotes a policy of stability, respect for international law, and a role as a "bridge-builder" between the East and West, and the

North and South.

2. Culture and the Rise of Soft Power

Culture serves as the "quiet force" of diplomacy. In the digital age, India leverages its civilizational heritage to build global consensus without kinetic force:



- **Civilizational Assets:** The global institutionalization of **Yoga** (International Day of Yoga), the promotion of **Ayurveda**, and the richness of Indian classical arts project a "benign" and "attractive" image of India.
- **Digital & Diaspora:** Modern carriers of culture—Bollywood, IT professionals, and the 32-million-strong **Indian Diaspora**—act as permanent ambassadors, shaping favorable public opinion in host nations.

3. *The Gandhian Legacy and Moral Diplomacy*

Indian foreign policy is uniquely anchored in a moral-philosophical framework:

- **Ahimsa and Satyagraha:** The Gandhian tenets of non-violence and "truth-force" are not merely domestic tools; they
- translated into India's global crusade for **Disarmament** and **Anti-Apartheid** movements.
- **Civilizational Continuity:** These values are rooted in deeper Vedic traditions—such as '**Vasudhaiva Kutumbakam**' (The World is One Family)—which today manifest in India's role as the "Pharmacy of the World" and its leadership in the **Global South**.
- **Decolonization:** Gandhi's vision that India's freedom was inseparable from the liberation of Asia and Africa laid the foundation for India's leadership in **South-South Cooperation**.

C. Political Structure: The Institutional Framework

The structural design of a state—whether it is a centralized autocracy or a pluralistic democracy—fundamentally dictates the speed, transparency, and nature of its foreign policy.

1. *The 'Democratic Premium' in Diplomacy*

- **Democratic Peace Theory:** As you noted, this theory suggests that democracies rarely go to war with one another. For India, this translates into a "Natural Partnership" with other democratic blocs (like the **G7** or the **EU**), based on shared values of the rule

of law and transparency.

- **Accountability and Justification:** Unlike authoritarian regimes, Indian leadership must justify foreign interventions or major treaties to the **Parliament**, the **Judiciary**, and the **Electorate**. This "domestic vetting" provides greater legitimacy to India's international commitments.

2. Decision-Making: Specialists vs. Generalists

- **The Executive Engine:** The role of the **Ministry of External Affairs (MEA)** is central. India's reliance on a professional cadre (the **Indian Foreign Service**) ensures continuity in policy, even when domestic governments change.
- **Centralization vs. Federalism:** While the Union government has the constitutional mandate over "Foreign Affairs," India's federal structure increasingly impacts policy. **Para-diplomacy**—where states like Tamil Nadu or West Bengal influence relations with neighbors like Sri Lanka or Bangladesh—is a unique feature of the Indian political structure.

3. Executive-Legislative Dynamics

- **Parliamentary Oversight:** Through the **Department-related Parliamentary Standing Committee on External Affairs**, the legislature scrutinizes the government's foreign conduct. This ensures that foreign policy remains a "National Policy" rather than a "Party Policy."
- **The Consensus Model:** Historically, India has maintained a broad cross-party consensus on core issues like the Nuclear Doctrine, relations with major powers, and the sovereignty of

borders.

D. Political Leadership: The Agency of Strategy

While structural factors provide the environment, the **Individual Leader** acts as the ultimate filter through which foreign policy is executed. Leadership style determines whether a nation is reactive or proactive on the global stage.

1. Classical Foundations of Leadership

- **The Realist Lens:** Thucydides, in his account of the **Peloponnesian War**, contrasted the "strategic patience" of Pericles with the "reckless adventurism" of Alcibiades, proving that a leader's temperament can save or ruin an empire.
- **The Guidebook for Rulers:** Machiavelli's *The Prince* remains the foundational text for "Realpolitik," emphasizing that a leader must be adaptable—balancing the "lion and the fox"—to secure the state.
- **Indian Tradition:** Kautilya's **Saptanga Theory** places the *Swami* (King/Leader) as the **Nabhi (Hub)** of the state. Kautilya argued that a visionary leader can compensate for the weaknesses of other state elements, whereas a weak leader can jeopardize even a strong state.

2. Evolution of Indian Leadership Styles

India's foreign policy journey can be categorized by the distinct strategic signatures of its Prime Ministers:

- **The Nehruvian Era (Idealism & Institution Building):** Guided by **Nehru's** personal conviction in anti-colonialism and Asian solidarity, India championed the **Non-Aligned Movement (NAM)**. While this established India as a moral voice, critics argue that an "excess of idealism" led to strategic vulnerabilities in the Kashmir and 1962 China conflicts.
- **The Indira Gandhi Era (Realpolitik & Hard Power):** Marking a shift toward **Pragmatism**, her leadership was defined by the decisive intervention in the **1971 Bangladesh Liberation War** and the signing of the Indo-Soviet Treaty. This era proved that India was willing to exercise "Hard Power" to secure its neighborhood.
- **The Rajiv Gandhi Era (Unorthodox Diplomacy):** His 1988 visit to Beijing was a watershed moment, initiating the "de-linking" of the border dispute from broader economic and bilateral cooperation—a policy that provided decades of relative stability with China.
- **The Contemporary Era (Leading Power & Multi-alignment):** Under **PM Modi**, India has transitioned from being a "Balancing Power" to a "**Leading Power**."
 - **Strategic Boldness:** Demonstrated through a "Security-First" approach (e.g., surgical strikes) and a willingness to transcend old hyphenations (maintaining ties with both Israel and Palestine, or Russia and the US).
 - **Global Stewardship:** Leveraging soft power (Yoga, Diaspora) and achieving high-stakes diplomatic wins, such as the **G20 New Delhi Declaration**, which built consensus in a deeply polarized world.

E. Size and Nature of the Economy: The Material Basis of Power

In the contemporary world, the "Economic Engine" of a nation is the primary determinant of its external influence. Foreign policy today is increasingly driven by trade, energy security, and investment flows.

1. Theoretical Framework: Complex Interdependence

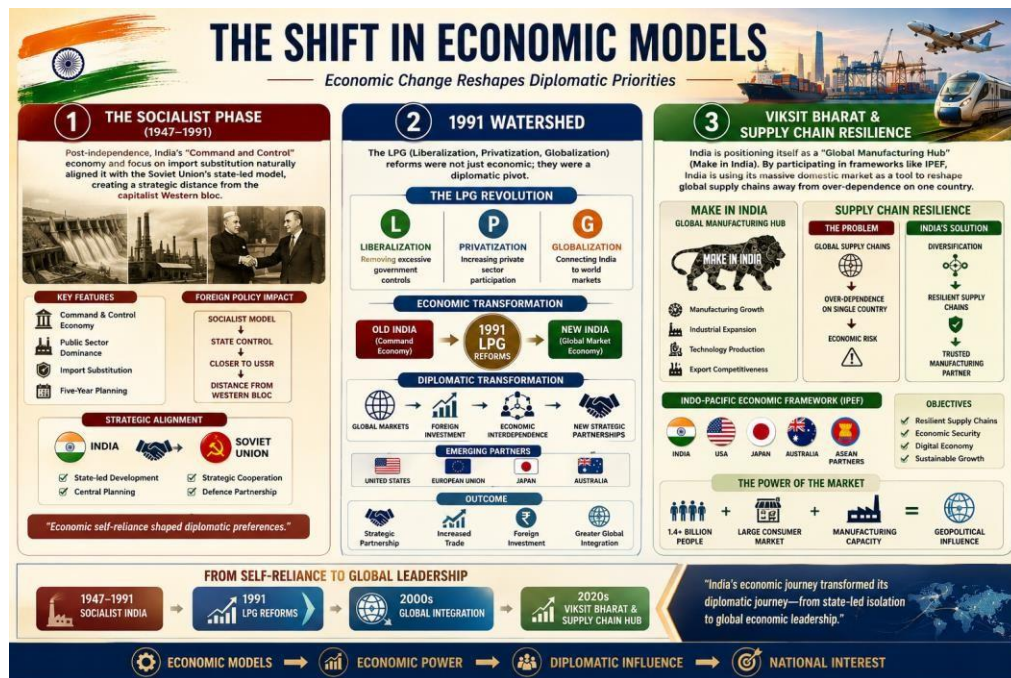
- **Keohane and Nye's Vision:** As countries become economically intertwined through global supply chains, the cost of conflict
- Becomes prohibitively high. This "**Complex Interdependence**" ensures that even antagonistic nations (like India and China) maintain a level of engagement to protect their economic interests.
- **The "Low Politics" vs. "High Politics":** Issues like trade, climate change, and technology (once called 'low politics') have now become 'high politics,' sitting at the very center of diplomatic negotiations.

2. Economic Strength as a Force Multiplier

- **Prerequisite for Hard Power:** A nation's military capability is directly proportional to its fiscal health. India's transition from a low-income country at independence to the **world's 5th largest economy** (moving toward the 3rd) has allowed for massive modernization of the armed forces, providing the "teeth" to its foreign policy.
- **From Aid-Seeker to Aid-Provider:** The nature of India's economy has shifted its role in the **Global South**. India now extends **Lines of Credit (LoC)** and development assistance to nations in Africa, Southeast Asia, and its neighborhood, moving

away from being a recipient of aid to a significant donor.

3. The Shift in Economic Models



- **The Socialist Phase:** Post-independence, India's "Command and Control" economy and focus on import substitution naturally aligned it with the **Soviet Union's** state-led model, creating a strategic distance from the capitalist Western bloc.
- **The 1991 Watershed:** The **LPG (Liberalization, Privatization, Globalization)** reforms were not just economic; they were a diplomatic pivot. The integration with global markets necessitated closer ties with the **USA** and the **European Union**, leading to the "Strategic Partnership" India enjoys today.
- **Viksit Bharat and Supply Chain Resilience:** Currently, India is positioning itself as a "Global Manufacturing Hub" (Make in India). By participating in frameworks like the **Indo-Pacific**

Economic Framework (IPEF), India is using its massive domestic market as a tool to reshape global supply chains away from over-dependence on a single country.

F. Domestic Public Opinion: The Democratic Pulse of Diplomacy

In a vibrant democracy, the "Water's Edge" (where domestic politics ends and foreign policy begins) is increasingly blurred. Public opinion acts as both a **mandate** for bold action and a **constraint** on diplomatic compromise.

1. Theoretical Divergence: Realism vs. Liberalism

- **The Realist Critique:** Realists (like Hans Morgenthau) argue that foreign policy is a technical, "high-stakes" domain that should be left to experts and elites. They contend that public opinion is often emotional, uninformed, and prone to "irrational" swings, which can undermine the cold logic of national interest.
- **The Liberal Perspective:** Liberals argue that in a representative state, foreign policy must reflect the values and preferences of the citizenry. They see public opinion as a vital check on executive overreach, ensuring that external commitments have domestic "buy-in."

2. The Indian Experience: Sentiment and Strategy

- **Historical Scars (Post-1962):** The "Himalayan Blunder" of 1962 created a deep-seated public distrust of China. This sentiment was so pervasive that it took nearly three decades of "frozen relations"

before the political leadership (under Rajiv Gandhi in 1988) could muster the domestic capital to re-engage with Beijing.

- **Regional Influence (Para-diplomacy):** Public opinion in specific states often dictates national policy toward neighbors.
 - **The Tamil Nadu Factor:** Strong ethnic and cultural ties to Sri Lankan Tamils forced the Central Government's hand in the 1980s, leading to the **Indo-Sri Lanka Accord (1987)** and the dispatch of the IPKF.
 - **The West Bengal Factor:** Similarly, domestic concerns over water sharing and immigration in West Bengal have historically influenced India's **Teesta Water Treaty** negotiations with Bangladesh.

3. The Constraint of 'Vote Bank' Politics and Sovereignty

- **Territorial Inflexibility:** Public opinion regarding "territorial integrity" is often absolute. As you noted, proposed "swaps" or concessions (such as the Aksai Chin-NEFA package deal) are politically "radioactive." Any move perceived as "ceding land" can lead to electoral backlash, making long-term resolution of border disputes exceptionally difficult.
- **The 'Rally 'Round the Flag' Effect:** Conversely, decisive foreign policy actions—like the 1998 nuclear tests or the Balakot air strikes—can generate a massive surge in domestic support, showing that successful foreign policy is a potent electoral asset.

3. External/Systemic Factors: The Global Operating Environment

While domestic factors provide the "push," the international system provides the "pull." A nation's foreign policy must constantly adapt to the structural distribution of power across the globe.

A. International Power Structure: Navigating Polarity

The global order is not static; it has evolved through three distinct phases, each requiring a unique Indian response:

1. The Bipolar Era (Cold War: 1945–1991)

- **The Structure:** The world was divided into two antagonistic blocs led by the USA and the USSR.
- **India's Innovation (NAM):** To avoid becoming a "pawn" in the Cold War and to protect its newly won sovereignty, India spearheaded the **Non-Aligned Movement (NAM)**. This was not a policy of "neutrality" but an assertive leadership role for the **Global South** and Newly Independent Countries (NICs), allowing India to maintain its independence of action.

2. The Unipolar Moment (Post-Cold War: 1991–2008)

- **The Structure:** The collapse of the USSR left the United States as the sole global hegemon.
- **The Pragmatic Pivot:** India rapidly recalibrated its policy to "overcome the hesitations of history." Starting with the **Vajpayee** era and accelerating under **Dr. Manmohan Singh** and **PM Modi**,

India significantly deepened ties with the US.

- **Strategic Milestones:** This shift culminated in the **2008 Civil Nuclear Deal** and the signing of the four foundational defense agreements:
 - **GSOMIA:** Security of military information.
 - **LEMOA:** Logistics exchange and support.
 - **COMCASA:** Secure communication and interoperability.
 - **BECA:** Geospatial intelligence sharing.
- **The Convergence:** Today, the relationship is defined by mutual necessity: India views the US as a vital partner to balance a rising **China**, while the US views India as a "net security provider" in the **Indo-Pacific**.

3. The Emergent Multipolar World (The Contemporary Era)

- **The Structure:** Power is now diffused among several poles, including the US, China, the EU, India, and Russia.
- **Strategic Multi-alignment:** In this "Polycentric" world, as noted by **Prof. Sreeram Chaulia**, India no longer chooses sides. Instead, it practices "**Multi-alignment**" or "**Issue-based Alliances**" (as termed by **EAM S. Jaishankar**).
- **Plurilateralism:** India now simultaneously engages in seemingly contradictory groupings:
 - **The Quad:** To ensure a free and open Indo-Pacific (Security).
 - **BRICS+ and SCO:** To promote a multipolar world and represent the Global South (Diplomatic/Economic).

B. Military Strength: The Hierarchy of Capability

Military power is the "hard currency" of international relations. A

nation's position in the global hierarchy—Great, Middle, or Small Power—dictates its strategic ambitions and its adherence to international norms.



1. Great Powers: The Status Quo Guardians

- **Strategic Aim:** For established hegemony (USA) and rising challengers (China), the primary goal is to maintain or reshape the global **status quo**.
- **The Mearsheimer Perspective:** As John Mearsheimer explains in *The Tragedy of Great Power Politics*, these nations are trapped in a zero-sum competition for dominance. Because no state can be certain of another's intentions, they seek to maximize their share of world power.
- **Behavioral Traits:** Great powers often engage in **Unilateralism**, viewing the entire globe as their sphere of influence. Their actions are driven by "Structural Realism," where survival depends on being

the most powerful actor in the system.

2. Middle Powers: The Aspirational Actors

- **Strategic Aim:** Middle powers like **India, Brazil, and Indonesia** occupy the "bridge" of the international system. Their foreign policy is characterized by a desire for **upward mobility** in the global hierarchy.
- Behavioral Traits:
 - **Regional Focus:** Their primary sphere of influence is their immediate geography (e.g., India in South Asia and the Indian Ocean).
 - **Risk Appetite:** These states often adopt a "tough" posture to deter aggression, operating on the logic that it is safer to be perceived as powerful than to be found wanting in capability.
 - **Multilateralism:** Lacking the resources for global unilateralism, they rely on **coalition-building** and international institutions to amplify their voice and constrain Great Power excesses.

3. Small Powers: The Survivalists

- **Strategic Aim:** For smaller nations (Qatar, Singapore) or "Weak States," the core objective is **survival** while maintaining a degree of independence.

- Strategies of the Weak:
 - **Bandwagoning:** Aligning with a Great Power for protection.
 - **Hedging:** Playing Great Powers against each other to extract the best security and economic deals.
 - **Regime Security:** For authoritarian states like North Korea, foreign policy is often a tool for internal survival, leading to **unconventional pursuits** (e.g., nuclear brinkmanship) to ensure they are not ignored or overthrown.

C. Alliances and Coalitions: The Framework of Collective Action

In an era defined by **complex interdependence**, alliances and plurilateral groupings act as force multipliers. However, they also create a "Commitment Trap," where a nation's individual choices must be balanced against the collective consensus.

1. The Institutional Constraint

- **The Consensus Mandate:** Organizations like **NATO, the EU, or ASEAN** strive for a unified external posture. For member states, this often requires a "dilution" of national preference to achieve a collective bargaining position.
- **The Power Asymmetry:** While Great Powers (like the US in NATO) largely set the agenda, smaller members find their foreign policy choices significantly constrained, often "bandwagoning" with the group's majority to ensure their own security or economic survival.

2. India's Strategic Approach: Membership as a Tool

India's engagement with global groupings is characterized by **Strategic Selective Engagement**. It joins forums that enhance its leverage while avoiding those that limit its autonomy:

- **Balancing through SCO:** India's membership in the **Shanghai Cooperation Organisation (SCO)** is a masterclass in "hedging." It allows India to maintain a footprint in Central Asia and engage with China and Russia on a neutral platform, even while being part of Western-leaning groups.
- **Preserving Sovereignty (The NPT Example):** India has historically stayed away from treaties like the **Nuclear Non-Proliferation Treaty (NPT)** and trade blocs like **RCEP** (Regional Comprehensive Economic Partnership). The rationale remains the same: these frameworks were perceived as "discriminatory" or detrimental to India's long-term economic and security interests.
- **Plurilateralism over Alliances:** Unlike the rigid military alliances of the Cold War (e.g., NATO), India prefers "**Plurilateral**" groupings like the **Quad (India, US, Japan, Australia)** or **BRICS**. These are issue-based and do not require the sacrifice of strategic autonomy.

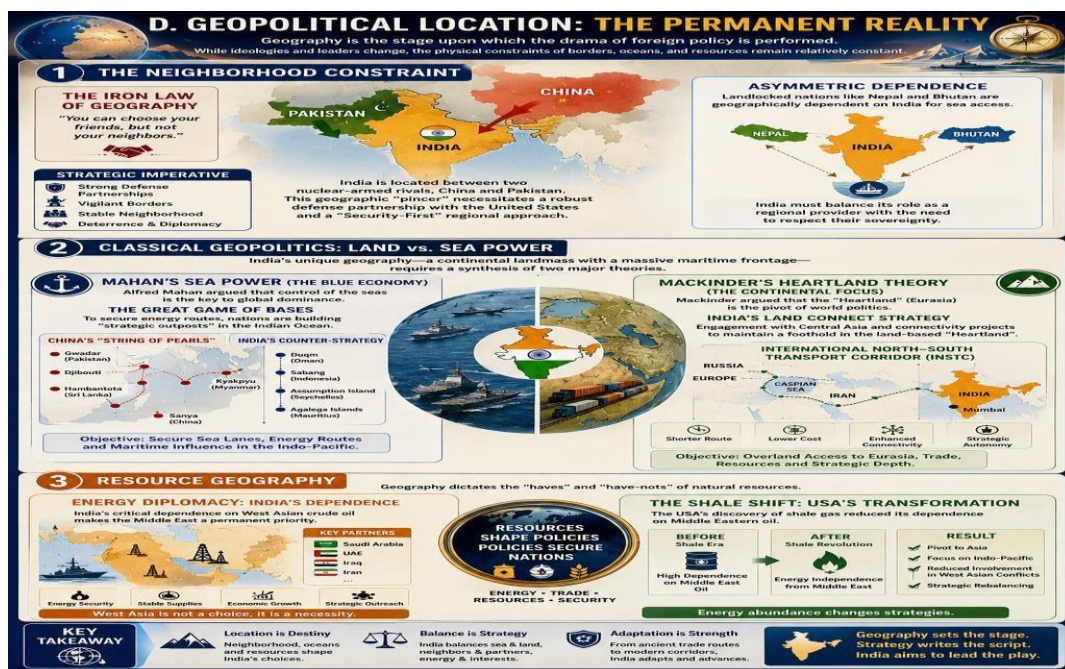
3. The Deterrence and Provocation Dynamic

- **The Security Umbrella:** Military alliances like NATO serve as a powerful **deterrent**, where an attack on one is an attack on all. This collective shield provides a high level of security but also draws "red lines" for adversaries.

- **The Geopolitical Flashpoint:** As seen in the **Ukraine-Russia conflict**, the expansion of a military alliance is often viewed by non-members as a direct threat. Russia's resistance to NATO's eastward expansion demonstrates how alliances can inadvertently trigger regional instability by limiting the "strategic depth" of neighboring powers.

D. Geopolitical Location: The Permanent Reality

Geography is the stage upon which the drama of foreign policy is performed. While ideologies and leaders change, the physical constraints of borders, oceans, and resources remain relatively constant.



1. The Neighborhood Constraint

- **The Iron Law of Geography:** As the adage goes, "You can choose your friends, but not your neighbors." India's strategic posture is fundamentally shaped by its location between two nuclear-armed rivals, **China and Pakistan**. This geographic "pincer" necessitates a robust defense partnership with the **United States** and a "Security-First" regional approach.
- **Asymmetric Dependence:** Landlocked nations like **Nepal and Bhutan** are geographically dependent on India for sea access. This creates a relationship where India must balance its role as a regional provider with the need to respect their sovereignty.

2. Classical Geopolitics: Land vs. Sea Power

India's unique geography—a continental landmass with a massive maritime frontage—requires a synthesis of two major theories:

- **Mahan's Sea Power (The Blue Economy):** Alfred Mahan argued that control of the seas is the key to global dominance. This is reflected in the modern **Indo-Pacific** discourse.
 - **The Great Game of Bases:** To secure energy routes, nations are building "strategic outposts." This includes China's **"String of Pearls"** and India's counter-strategy involving bases like **Duqm (Oman), Sabang (Indonesia)**, and monitoring stations in the Southwest Indian Ocean.
- **Mackinder's Heartland Theory (The Continental Focus):** Mackinder argued that the "Heartland" (Eurasia) is the pivot of

world politics. India's focus on the **International North-South Transport Corridor (INSTC)** and engagement with **Central Asia** represents its effort to maintain a foothold in this land-based "Heartland."

3. Resource Geography

Geography dictates the "haves" and "have-nots" of natural resources.

- **Energy Diplomacy:** India's critical dependence on West Asian crude oil makes the Middle East a permanent priority.
- **The Shale Shift:** Conversely, the USA's discovery of shale gas reduced its dependence on Middle Eastern oil, leading to a "Pivot to Asia" and a relative withdrawal from traditional West Asian conflicts.

E. Global Public Opinion: The Soft Power Filter

In an era of instant connectivity and the "Information Revolution," global perception acts as a moral and political barometer for a state's actions.

- **Soft Power and Legitimacy:** Global public opinion is the currency of **Soft Power**. Nations that are perceived as "responsible stakeholders" find it easier to build alliances and attract investment. India's role as the "Pharmacy of the World" during COVID-19 significantly boosted its global standing.
- **Narrative Control:** Authoritarian regimes (like China) use state-controlled media to craft "strategic narratives" to influence global audiences.
- **The Sovereignty Limit:** While global opinion can exert pressure,

it has limits. Since sovereign states are primarily accountable to their domestic populations, they will often ignore global outcry if they perceive a threat to their core national security (e.g., Russia in Ukraine or Israel in Gaza).

Unit - 3

Institutions of Foreign Policy Making

Foreign policy is the product of an institutional ecosystem where various agencies coordinate to align external actions with internal goals.



1. The Prime Minister's Office (PMO) – The Strategic Nerve Center

In the modern era, the PMO has emerged as the ultimate decision-making body for high-stakes diplomacy.

- **Centralization of Authority:** Major strategic shifts (e.g., the Indo-US Nuclear Deal or the 'Neighborhood First' policy) are driven directly from the PMO.
- **The National Security Council (NSC) & NSA:** The **National Security Advisor (NSA)** serves as the primary link between the military, intelligence, and diplomatic wings. The NSC provides a multi-disciplinary approach to foreign policy, treating security and diplomacy as two sides of the same coin.

2. Ministry of External Affairs (MEA) – The Executive Arm

The MEA is the traditional institutional home of Indian diplomacy.

- **Role:** It is responsible for the day-to-day conduct of diplomacy, treaty negotiations, and representing India in international fora.
- **The Indian Foreign Service (IFS):** A specialized cadre of professionals who provide "institutional memory." Unlike other ministries, the MEA relies heavily on these specialists to navigate complex bilateral and multilateral dynamics.

- **Specialized Divisions:** Modern diplomacy has led to the creation of new wings within the MEA, such as the **ED (Economic Diplomacy) Division**, the **DPA (Development Partnership Administration)** for foreign aid, and the **Cyber Diplomacy** wing.

3. The Cabinet Committee on Security (CCS)

This is the highest constitutional body for taking formal decisions on foreign and defense policy.

- **Composition:** Chaired by the Prime Minister; includes the Ministers of Defence, Home Affairs, External Affairs, and Finance.
- **Function:** It provides the "Political Mandate" for major actions, such as declaring war, signing major defense deals, or responding to regional crises.

4. Parliament and its Committees

While the Executive leads, the Legislature ensures accountability.

- **Consultative Committee:** A forum for informal discussions between the Minister of External Affairs and Members of Parliament.
- **Parliamentary Standing Committee on External Affairs:** This committee provides a detailed "Legislative Audit" of the MEA's functioning, expenditure, and policy outcomes. It ensures that foreign policy maintains a national consensus across party lines.

5. Intelligence Agencies (R&AW and IB)

- **Research and Analysis Wing (R&AW):** Provides the "External Intelligence" necessary for informed decision-making. Intelligence inputs often shape the "behind-the-scenes" diplomacy, especially in a volatile neighborhood.

6. Emerging Institutional Actors

- **Think Tanks and Academia:** Institutions like **IDSA** (Manohar Parrikar Institute for Defence Studies and Analyses) and **ORF** (Observer Research Foundation) act as "Track 1.5" or "Track 2" diplomatic channels, providing the intellectual framework for policy shifts.
- **State Governments (Para-diplomacy):** As discussed earlier, states like Tamil Nadu, Punjab, and West Bengal have become informal institutions that influence India's stance toward neighboring countries.

2. Formal Institutions of Statecraft

A. The Ministry of External Affairs (MEA): The Diplomatic Secretariat

The MEA is the nodal agency for India's global engagement. Under the **Government of India (Allocation of Business) Rules**, it is mandated to plan, formulate, and execute India's foreign relations.

- **The Hub of Policy Inputs:** The MEA functions as a strategic clearinghouse. It does not operate in a vacuum but synthesizes inputs from:
 - **External Sources:** Real-time intelligence and political analysis from Indian Missions abroad (Embassies, High Commissions, and Permanent Missions).
 - **Domestic Stakeholders:** Relevant ministries (Defence, Commerce, Finance), Think Tanks (e.g., **MP-IDSA**, **ICWA**), and Industry Bodies (**CII**, **FICCI**) to align diplomacy with economic interests.
- **Specialized Functional Divisions:** To address 21st-century challenges, the MEA has moved beyond purely geographical desks to "thematic" divisions:
 - **Security & Tech:** Dedicated divisions for **Counter-Terrorism**, **Cyber Diplomacy**, and **Nuclear Disarmament** (handling India's engagement with the NSG and MTCR).
 - **Economic Diplomacy:** The **Economic Diplomacy (ED)** and **Multilateral Economic Relations (MER)** divisions focus on trade, energy security, and global financial architecture.
 - **Public Diplomacy:** The **External Publicity (XP) Division** manages India's global narrative, countering misinformation and projecting India's soft power.
- **Citizen-Centric Diplomacy:** Uniquely, the MEA is also a major service-delivery ministry. It manages the **Consular**, **Passport**,

and Visa (CPV) Division. This includes the welfare of the **Indian Diaspora**, the issuance of **OCI cards**, and ensuring the safety of Indian nationals during global crises (e.g., Operation Ganga or Operation Ajay).

B. The National Security Council (NSC): The Strategic Oversight Body

Established in 1998, the NSC is the principal agency for advising the Prime Minister's Office on the intersection of **National Security, Foreign Policy, and Defence**. While the Cabinet remains the ultimate authority, the NSC serves as the "Strategic Brain" of the Indian state.

1. Composition: The "Whole-of-Government" Synergy

The NSC brings together the political leadership and the executive heads of India's security apparatus to ensure synchronized decision-making. It is chaired by the **Prime Minister** and includes:

- **The "Big Four" Cabinet Ministers:** Ministers of External Affairs, Defence, Home, and Finance.
- **Military & Strategic Leadership:** The Chief of Defence Staff (CDS) and the **National Security Advisor (NSA)**.
- **Policy & Execution:** Deputy NSAs and the **Vice Chairman of NITI Aayog** (ensuring economic security is linked to national security).
- **The Role of the NSA:** As the **Secretary to the NSC**, the National Security Advisor acts as the pivot between the bureaucracy, the intelligence agencies, and the political executive.

The Three-Tier Architecture of the NSC

The effectiveness of the National Security Council (NSC) lies in its structured ability to convert raw intelligence into long-term national strategy through three specialized tiers:

1. Strategic Planning Group (SPG): The Bureaucratic Engine

- **Role:** The SPG is the highest inter-ministerial body for formulating and implementing national security policies. It ensures that the various "silos" of the Indian government (Defence, Finance, Foreign Affairs) work in unison.
- **Composition:** Chaired by the **Cabinet Secretary**, it comprises the secretaries of all key ministries and the chiefs of the Armed Forces.
- **Function:** It is tasked with periodic assessments of the national and international security environment. Beyond immediate threats, it is responsible for drafting long-term **military doctrines** and strategic postures to neutralize future risks.

2. National Security Advisory Board (NSAB): The Intellectual Reservoir

- **Role:** The NSAB provides a bridge between the government and the "outside world" of expertise. It offers a "track-two" perspective that is free from bureaucratic constraints.
- **Composition:** Comprises eminent retired diplomats, military officers, scientists, and academics.
- **Legacy:** The NSAB's most significant contribution was the

formulation of India's **Draft Nuclear Doctrine (1999)**, which established the principle of "No First Use." It remains the primary body for long-term "horizon scanning" and strategic forecasting.

3. Joint Intelligence Committee (JIC): The Analytical Hub

- **Role:** The JIC is the apex body for **Intelligence Assessment**. It does not collect intelligence itself but synthesizes data from all primary agencies (**R&AW, IB, and Military Intelligence**).
- **Function:** It eliminates conflicting reports from different agencies to provide a **"Single Window of Truth"** to the Prime Minister and the Cabinet. It ensures that the political leadership receives a cohesive and analyzed threat assessment rather than raw, unverified data.

C. The Prime Minister's Office (PMO): the Strategic Command Center

The PMO has evolved from a secretarial assistance body into the **ultimate decision-making hub** of the Indian state. In the context of foreign policy, it acts as the primary orchestrator, ensuring that diplomatic initiatives are synchronized with domestic priorities.

1. Evolution of Centrality

- **The Nehruvian Legacy:** Historically, the trend of PM-centric diplomacy began with Jawaharlal Nehru, who concurrently held the office of the External Affairs Minister (EAM). This established a precedent where the "Prime Minister's Secretariat" (now PMO) became the focal point of strategic decisions.
- **The Institutional Pivot:** Over decades, the PMO has maintained

this central role. It acts as the final arbiter in inter-departmental disputes, smoothing out "silos" between ministries like MEA, Defence, and Commerce to ensure a unified external posture.

2. Modern Structure and Key Actors

The current PMO is a powerhouse of specialized expertise, designed to bypass traditional bureaucratic delays:

- **Principal Secretary to the PM:** Manages the administrative and domestic policy interface.
- **The National Security Advisor (NSA):** Perhaps the most influential figure in the modern PMO regarding foreign and security policy. The NSA provides the PM with direct, vetted advice, often acting as a "Special Envoy" for high-stakes diplomacy (e.g., border talks with China or strategic dialogues with the US).
- **The Lead Role of the PM:** In the current geopolitical climate, "Summit Diplomacy" (direct leader-to-leader interaction) has become the norm. Whether it is G20, QUAD, or BRICS, the Prime Minister is the face of Indian diplomacy, and the PMO is the engine that drives these interactions.

3. The PMO-MEA Relationship: Coordination vs. Centralization

The effectiveness of India's global outreach depends on the synergy between the **PMO (The Vision)** and the **MEA (The Execution)**.

- **Approval Authority:** No major policy shift, treaty, or security measure can be implemented without the PM's explicit mandate.

- **Personnel Control:** While the MEA manages the IFS cadre, the PM's approval is mandatory for the appointment of Ambassadors and High Commissioners. While the President of India issues the formal "Letter of Credence" as the Head of State, the political choice rests with the PMO.
- **The "Buck Stops Here":** Ultimately, while the MEA provides the inputs and diplomatic craft, the final accountability and strategic direction for all major foreign policy issues rest at the door of the Prime Minister.

D. The Cabinet and Cabinet Committees: The Pillars of Collective Sanction

In India's parliamentary system, the Cabinet is the ultimate executive authority. It transforms strategic advice from the PMO and NSC into formal government policy through collective deliberation.

1. The Cabinet: The Core of Political Consensus

- **The Inner Circle:** Comprising the Prime Minister's most trusted senior ministers, the Cabinet acts as a deliberative body during national crises and strategic shifts.
- **Inter-Ministerial Synthesis:** The Cabinet ensures that foreign policy is not "siloed." For instance, a decision on border infrastructure involves a synthesis of inputs from the **Ministry of Home Affairs (MHA)** for border guarding, the **Ministry of Defence (MoD)** for strategic depth, and the **MEA** for diplomatic repercussions.

- **Economic Diplomacy:** On matters of global trade, FDI, and international sanctions, the Cabinet coordinates between the Ministry of Finance, Ministry of Commerce & Industry, and the **MEA**.

2. Cabinet Committees: Specialized Decision-Making

Because the full Cabinet cannot deliberate on every technical detail, it functions through specialized **Cabinet Committees**. While no committee is dedicated *exclusively* to "Foreign Affairs," two key committees fundamentally shape India's external conduct:

- Cabinet Committee on Security (CCS):
 - **The Powerhouse:** This is the most critical body for foreign policy. It takes final decisions on defense expenditures, intelligence coordination, and national security matters.
 - **Strategic Role:** Any significant diplomatic move involving military hardware, nuclear policy, or responses to regional conflict requires CCS approval.
- Cabinet Committee on Economic Affairs (CCEA):
 - **Trade as Diplomacy:** In the era of globalization, economic policy *is* foreign policy. The CCEA directs India's stance on international trade agreements, foreign investment norms, and energy security deals.

- **The Role of the EAM:** The current External Affairs Minister (EAM) holds a seat in both the **CCS** and the **CCEA**. This dual membership ensures that India's diplomatic interests are represented at the highest levels of both security and economic planning.

E. The Parliament: The Forum of Democratic Legitimacy

Under the **Union List (Seventh Schedule)**, the Parliament has the exclusive power to legislate on foreign affairs. While the day-to-day conduct of diplomacy is an executive function, the Parliament acts as the ultimate custodian of national sovereignty.

1. The Scope of Parliamentary Authority

- **Legislative Mandate:** Under **Article 253**, Parliament has the power to make any law for implementing international treaties, agreements, and conventions.
- **Budgetary Control:** By exercising "Power of the Purse," Parliament can theoretically influence foreign policy through the allocation of funds to the MEA and Ministry of Defence.
- **Accountability:** The Executive is collectively responsible to the Parliament. Through **Question Hour** and **Zero Hour**, MPs can seek clarifications on sensitive diplomatic issues, ensuring that the government's external actions align with the national interest.

2. Executive Prerogative vs. Legislative Checks

An interesting feature of the Indian system is the significant leeway given to the Executive:

- **Treaty-Making:** Unlike the USA, where the Senate must ratify treaties, the Indian government can sign international agreements without a prior vote in Parliament.
- **Declaration of War:** The Executive can declare war or sign peace treaties without formal legislative authorization.
- **The Constraint:** In practice, because the government usually holds a majority in the Lok Sabha, the Parliament rarely "blocks" foreign policy unless it is a coalition government or involves a **Constitutional Amendment**.

3. Mechanisms of Oversight: The Standing Committees

The real "grilling" of policy happens in the **Department-related Parliamentary Standing Committees (DRSCs)**:

- **Standing Committee on External Affairs:** It conducts deep-dives into the MEA's functioning, policy outcomes, and expenditure. It acts as a "Permanent Audit" of Indian diplomacy.
- **Standing Committee on Defence:** Focuses on external security threats and military preparedness.
- **Ad-hoc Committees:** Formed for specific, time-bound issues (e.g., investigating a specific border crisis or trade deal).

4. Case Studies: Parliament's Impact on Statecraft

- **Territorial Integrity (The 100th Amendment):** The **Land Boundary Agreement (LBA) with Bangladesh (2015)** involved the exchange of enclaves and an alteration of India's borders. Under the ruling in the Berubari Union case, such changes require a **Constitutional Amendment (Article 368)**. The Parliament's role was decisive here, requiring a 2/3rd majority to pass the bill, ensuring a nationwide political consensus on the border.
- **The Power of Coalitions (Indo-US Nuclear Deal, 2008):** In a minority or coalition setup, Parliament becomes the ultimate hurdle. The **UPA government** faced a "No-Confidence Motion" over the nuclear deal when the Left Front withdrew support. Furthermore, the **Civil Liability for Nuclear Damage Act (2010)** was heavily amended by Parliament to include "Supplier Liability" (Section 17b), showing how the legislature can force the government to toughen its stance in international negotiations.
- **Preventing Concessions (Post-1962):** After the 1962 war, despite Western pressure to concede on the **Kashmir issue** in exchange for military aid, the fierce opposition in Parliament made any territorial compromise politically impossible. This highlights Parliament as a "Red Line" that the Executive cannot cross.

F. States and Para-diplomacy: The Federalization of Foreign Policy

Para-diplomacy refers to the international activities conducted by sub-national governments (states, provinces, or cities) to further their specific interests. In the Indian context, it represents the transition from "New Delhi-centric" diplomacy to a model where states act as autonomous economic and cultural actors.

1. Theoretical Foundation

- **Remedy for State Crisis:** Canadian scholar **Panayotis Soldatos** argues that para-diplomacy emerges when the central government's foreign policy fails to address local needs. Rather than causing fragmentation, he suggests that "**decentralization enhances unity**," as it allows states to solve local problems through global engagement, rationalizing the overall policy process.
- **The "Globalization of Local Issues":** Para-diplomacy allows a state to attract Foreign Direct Investment (FDI) and technology tailored to its specific growth model, bypassing the "one-size-fits-all" approach of the Center.

2. Evolution in the Indian Context

- **The Post-1967/Coalition Phase:** The rise of regional parties first gave states a voice in external matters, though it was often reactive.

- **Post-1991 Liberalization:** The LPG reforms forced states to compete for global capital. A landmark example was **Maharashtra's** direct engagement with Enron and GE for the **Dabhol Power Project**, which signaled that states were now open for global business.
- **The "Competitive Federalism" Phase (Post-2014):** Para-diplomacy has been formally incentivized as part of **Team India**. Initiatives like **Vibrant Gujarat**, **Magnetic Maharashtra**, and **Invest Odisha** show states behaving like "economic diplomats."

3. Functional Domains of Para-diplomacy

- **Economic Outreach:** States conduct "Global Investor Summits" and sign MoUs with foreign provinces (e.g., "Sister-City" or "Town-Twinning" agreements).
- **Border Trade:** Frontier states are critical to India's "**Act East**" and "**Neighborhood First**" policies.
 - **Punjab:** Vital for trade via the Wagah-Attari border.
 - **Tripura/Meghalaya:** Instrumental in establishing "**Border Haats**" with Bangladesh.
- **Resource & Environment:** States engage in international cooperation for river water management, climate resilience, and sustainable agriculture.

4. Challenges: The Conflict of Interests

While beneficial, para-diplomacy can create friction when state interests clash with national strategic goals:

- **The Teesta Deadlock:** The **West Bengal** government's opposition stalled the Teesta Water Sharing Treaty with Bangladesh, affecting bilateral ties.
- **The Sri Lanka Dilemma:** Political pressure from **Tamil Nadu** has historically influenced India's voting pattern at the **UNHRC** regarding Sri Lankan ethnic issues.
- **Legal Friction (Enrica-Lexie Case):** The **Kerala** government's firm stance on prosecuting Italian marines for the killing of fishermen created a significant diplomatic standoff with the **European Union**.

Informal Sectors in Foreign Policy:

A. The Media: The Fourth Pillar of Diplomacy

In the digital age, the media is no longer just an observer of foreign policy; it is an active participant that shapes the domestic environment in which diplomacy operates.



1. The Agenda-Setting Power

- Framing the Discourse:** The media has the unique capacity to "prime" the public. By choosing which international events to cover and how to frame them, it can elevate a distant issue (e.g., the conflict in Ukraine or the crisis in West Asia) into a domestic political priority.
- The "CNN Effect":** Real-time reportage—especially on television and social media—can create a sense of urgency. This often forces the government to respond or clarify its stance much faster than traditional diplomatic protocols would suggest.
- Providing a "Local Eye" on Global Issues** **Bridging the Gap:** For the average citizen, the media is the primary source of information

regarding foreign countries. It translates complex geopolitical shifts into understandable narratives.

- **The Constraint of Perspective:** A critical limitation remains: because few Indian news agencies have a wide network of foreign correspondents, much of the international news in India is still filtered through Western agencies (Reuters, AP, AFP). This can sometimes lead to a "dependency on Western perspectives" rather than a purely Indian strategic lens.

2. The Two-Way Street: Media-State Interaction The relationship between policymakers and the media is symbiotic and characterized by a constant "push and pull":

- **Policy Nudging:** Through editorials, investigative pieces, and expert debates, the media can "nudge" the government toward a particular course of action or caution against another.
- **Strategic Communication:** Conversely, the government uses the media to "float" policy trial balloons or to build a national consensus on sensitive issues (e.g., the 1998 nuclear tests or the current stance on the LAC). This is often managed through the MEA's **External Publicity (XP) Division**.

3. Autonomy and Business Logic

- **Financial Independence:** The growth of the Indian media as a major industry has increased its autonomy. It is no longer just a "mouthpiece" of the state; its diverse corporate interests and viewership demands allow it to challenge the government's foreign policy discourse, leading to a healthier, more pluralistic debate.

B. Pressure Groups and NGOs: The Civil Society Influence

In a pluralistic democracy, foreign policy is increasingly influenced by non-state actors who advocate for specific causes, acting as a bridge between the grassroots and the government.

- **The Rise of Issue-Based Advocacy:** Groups focusing on Human Rights, Environmental Protection, and Migration have become vocal stakeholders. For example, environmental NGOs often influence India's stance at COP (Climate Change) summits, while human rights groups monitor India's voting patterns at the UN.
- **Friendship Associations:** These formally registered groups (e.g., India-Russia or India-Japan Friendship Societies) act as "Track 2" channels, maintaining cultural and professional ties even when formal political relations may be lukewarm.
- **Media and Social Media as Multipliers:** Informal pressure groups now wield significant influence through "Real-time Diplomacy." By using social media to spark debates, they can force the MEA to address specific concerns instantly—a phenomenon known as "Soundbite Diplomacy."
- **State Response:** Recognizing this, the MEA's Public Diplomacy Division now actively manages the national narrative, engaging with civil society to ensure that foreign policy has the necessary "domestic buy-in."

C. The Indian Diaspora: From "Distancing" to "Delivering"

With over 18 million persons of Indian origin (PIOs) and Non-Resident Indians (NRIs) across the globe, India possesses the world's largest diaspora. This community has evolved from a silent demographic into a potent instrument of Strategic Soft Power.

1. The Strategic Shift in Policy

- **The Nehruvian Era (Non-Interference):** Post-independence, India maintained a policy of "active dissociation" to avoid being accused of interfering in the internal affairs of host countries.
- **The Post-1990s Pivot:** Recognizing the diaspora's economic and political potential, India launched a major outreach. Initiatives like Pravasi Bharatiya Divas and the OIC card scheme transformed the relationship into a formal partnership.

2. The Diaspora as a "Strategic Asset"

The diaspora contributes to India's national interest through four key pillars:

- **Economic Bedrock:** India is the world's top recipient of remittances (reaching ~\$125 bn in recent years). This provides a vital cushion for India's Current Account Deficit (CAD).
- **Political Lobbying:** In countries like the USA, UK, and Canada, the Indian diaspora acts as a "pressure group" within host governments. Their lobbying was instrumental in the passage of

the Indo-US Civil Nuclear Deal (2008).

- **Brand Ambassadors:** Through their success in Silicon Valley, healthcare, and academia, the diaspora has built the "India Brand," projecting the nation as a hub of talent and democratic values.
- **Technology & Investment:** The diaspora is a primary driver for programs like Make in India and Digital India, bringing in not just capital but also technical "know-how."

3. Diaspora Diplomacy: The Modern Era

Under PM Modi, diaspora outreach has become a Signature Diplomatic Tool. Large-scale addresses (e.g., Madison Square Garden or Howdy Modi) serve a dual purpose:

1. **Domestic Signaling:** Demonstrating the PM's global popularity to the domestic Indian audience.
2. **External Leverage:** Showing host governments the political and economic weight of the Indian community in their own backyards.

D. Think Tanks and Academia: The Strategic Brain Trust

While the MEA and PMO execute policy, think tanks and academic institutions provide the theoretical framework and long-term research necessary for "Evidence-Based Policy Making." They act as a bridge between abstract academic research and the practical needs of the state.

1. The Institutional Landscape

India's strategic ecosystem is composed of state-supported, autonomous, and private institutions:

- State-Supported Pillars:
 - **Indian Council of World Affairs (ICWA):** Supported by the MEA, it serves as the premier platform for diplomatic discourse and institutional memory.
 - **Manohar Parrikar Institute for Defence Studies and Analyses (MP-IDSA):** Funded by the Ministry of Defence, it is the primary hub for research on military strategy, counter-terrorism, and regional security.
- Specialized Research Hubs:
 - **Institute of Chinese Studies (ICS):** Provides the deep linguistic and political expertise required to navigate India's most complex bilateral challenge.
 - **RIS & ICRIER:** These focus on the Economic Dimension of foreign policy, analyzing global trade (WTO), international financial systems, and South-South cooperation.
- Independent & Private Think Tanks:
 - **Observer Research Foundation (ORF):** Known for hosting the Raisina Dialogue (India's flagship conference on geopolitics), it has become a central player in projecting India's global narrative.
 - **Centre for Policy Research (CPR) & Vivekananda International Foundation (VIF):** These provide high-level

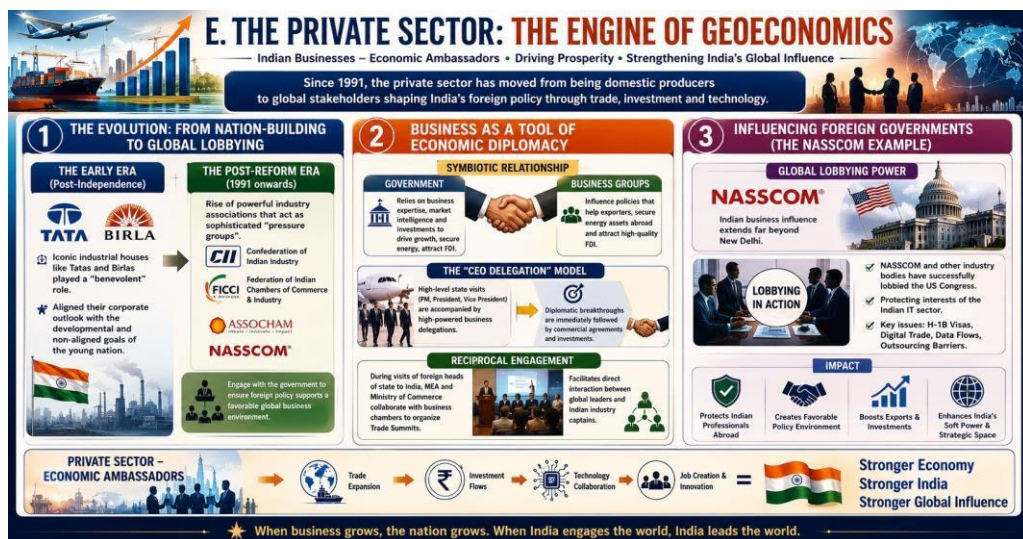
policy briefs and have historically been influential in providing personnel and ideas to the PMO and NSC.

2. Strategic Functions of Think Tanks

- **Track 2 Diplomacy:** They provide a "neutral space" where experts from antagonistic nations (e.g., India and Pakistan) can meet informally to discuss solutions that official diplomats cannot yet touch.
- **Policy Trial Balloons:** The government often uses think tanks to "test" a new policy idea in the public domain before it is formally adopted.
- **Capacity Building:** Through the School of International Studies (SIS) at JNU and other universities, these institutions train the next generation of diplomats and strategic analysts.
- **Horizon Scanning:** While the MEA is often caught in "firefighting" immediate crises, think tanks focus on long-term trends like Climate Change, AI Governance, and Space Diplomacy.

E. The Private Sector: The Engine of Geoeconomics

Since the 1991 reforms, the private sector has transitioned from a domestic producer to a global stakeholder. Indian multinational corporations (MNCs) and industry bodies now act as "Economic Ambassadors," projecting India's interests through trade, investment, and technology.



1. The Evolution: From Nation-Building to Global Lobbying

- **The Early Era:** Post-independence, iconic industrial houses like the Tatas and Birlas played a "benevolent" role, aligning their corporate outlook with the developmental and non-aligned goals of the young nation.
- **The Post-Reform Era:** The rise of powerful industry associations—CII (Confederation of Indian Industry), FICCI, ASSOCHAM, and NASSCOM—has introduced a sophisticated lobbying culture. These organizations act as "pressure groups," engaging with the government to ensure that foreign policy facilitates a favorable global business environment.

2. Business as a Tool of Economic Diplomacy

- **Symbiotic Relationship:** The government increasingly relies on the expertise and market intelligence of business groups to conduct Economic Diplomacy. In turn, these groups influence the government to adopt policies that favor Indian exporters, secure

energy assets abroad, and attract high-quality Foreign Direct Investment (FDI).

- **The "CEO Delegation" Model:** It is now standard protocol for high-level state visits (PM, President, or Vice President) to be accompanied by high-powered business delegations. This "joint-outreach" ensures that diplomatic breakthroughs are immediately followed by commercial agreements.
- **Reciprocal Engagement:** During visits of foreign heads of state to India, the MEA and Ministry of Commerce collaborate with these business chambers to organize trade summits, facilitating direct interaction between global leaders and Indian industry captains.

3. Influencing Foreign Governments (The NASSCOM Example)

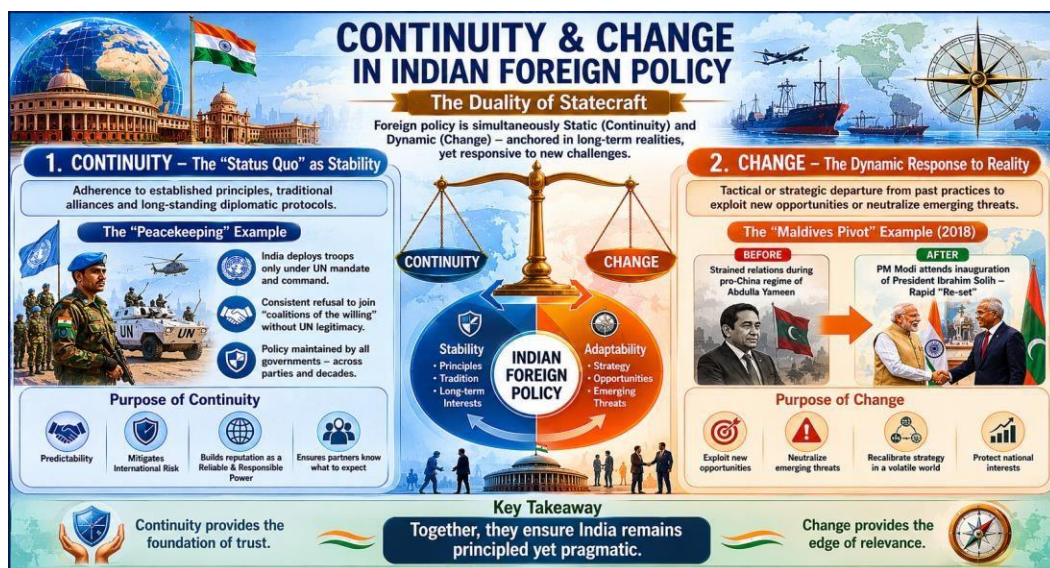
- **Global Lobbying:** Indian business influence is no longer restricted to New Delhi. Groups like NASSCOM have successfully lobbied foreign governments (most notably the US Congress) to protect the interests of the Indian IT sector, particularly regarding H-1B visa regulations and digital trade barriers. This demonstrates that private sector "Soft Power" can create a more favorable strategic environment for the country as a whole.

Unit - 4

Continuity & Change

Introduction: The Duality of Statecraft

Foreign policy is characterized by a unique tension between stability and transformation. Unlike domestic policy, which can undergo rapid legislative shifts, foreign policy is anchored in long-term geographical and historical realities. Thus, it is simultaneously Static (Continuity) and Dynamic (Change).



1. Continuity: The "Status Quo" as Stability

Continuity in foreign policy provides predictability and mitigates international risk. It represents the "Permanent Interests" of the state that transcend political parties.

- **Definition:** Adherence to established principles, traditional alliances, and long-standing diplomatic protocols.
- **The "Peacekeeping" Example:** A hallmark of Indian continuity is the policy of deploying troops for international conflict resolution only under the mandate and command of the **United Nations**. Regardless of which party is in power, India has consistently refused to join "coalitions of the willing" that lack UN legitimacy.
- **Purpose:** Static elements preserve a nation's reputation as a reliable and "responsible power," ensuring that external partners know what to expect.

2. Change: The Dynamic Response to Reality

Dynamics in foreign policy reflect a nation's ability to recalibrate its strategy based on shifts in the global power structure or significant changes in domestic leadership.

- **Definition:** The tactical or strategic departure from past practices to exploit new opportunities or neutralize emerging threats.
- **The "Maldives Pivot" Example:** A concrete illustration of dynamism was the diplomatic shift in 2018. After years of strained relations and high-level avoidance during the pro-China regime of Abdulla Yameen, Prime Minister Modi personally

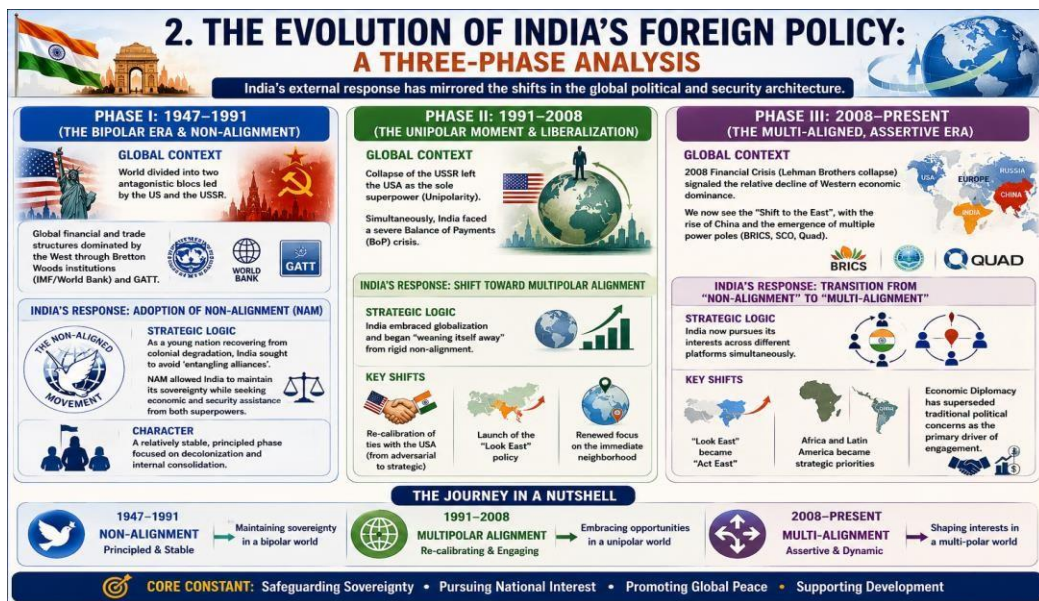
attended the inauguration of

President Ibrahim Solih. This signaled a rapid "re-set" and an assertive return to India's "Neighborhood First" priority.

- **Purpose:** A dynamic policy demonstrates a greater appetite for risk and the agility to protect national interests in a volatile geopolitical environment.

2. The Evolution of India's Foreign Policy: A Three-Phase Analysis

India's external response has mirrored the shifts in the global political and security architecture.



Phase I: 1947–1991 (The Bipolar Era & Non-Alignment)

- **Global Context:** The world was divided into two antagonistic blocs led by the US and the USSR. Global financial and trade structures were dominated by the West through the **Bretton Woods institutions** (IMF/World Bank) and GATT.

- **India's Response:** Adoption of Non-Alignment (NAM).
 -
 - **Strategic Logic:** As a young nation recovering from colonial degradation, India sought to avoid "entangling alliances." NAM allowed India to maintain its sovereignty while seeking economic and security assistance from both superpowers.
 - **Character:** This was a relatively stable, principled phase focused on decolonization and internal consolidation.

Phase II: 1991–2008 (The Unipolar Moment & Liberalization)

- **Global Context:** The collapse of the USSR left the USA as the sole superpower (Unipolarity). Simultaneously, India faced a severe Balance of Payments (BoP) crisis.
- **India's Response:** A shift toward Multipolar Alignment.
 - **Strategic Logic:** India embraced globalization and began "weaning itself away" from rigid non-alignment.
 - **Key Shifts:** Re-calibration of ties with the USA (moving from adversarial to strategic), the launch of the "Look East" policy, and a renewed focus on the immediate neighborhood.

Phase III: 2008–Present (The Multi-aligned, Assertive Era)

- **Global Context:** The 2008 Financial Crisis (Lehman Brothers collapse) signaled the relative decline of Western economic dominance. We now see the "Shift to the East," with the rise of China and the emergence of multiple power poles (BRICS, SCO,

Quad).

- **India's Response:** Transition from "Non-Alignment" to "Multi-Alignment."
 - **Strategic Logic:** India now pursues its interests across different platforms simultaneously.
 - **Key Shifts:** "Look East" became "Act East"; Africa and Latin America became strategic priorities. Economic Diplomacy has superseded traditional political concerns as the primary driver of engagement.

3. The Dual Forces: Static vs. Dynamic Factors

India's foreign policy is a balance between foundational stability (Statism) and responsive transformation (Dynamism).

Static Factors (Continuity)

These elements provide a "predictable anchor" to India's behavior:

- **Democratic Stability:** India's relative political continuity compared to its neighbors enhances its reputation as a "Responsible Stakeholder."
- **Strategic Independence:** Even after dropping the *label* of non-alignment, India remains committed to not joining any military alliance directed against a third party.
- **Poverty Alleviation:** The continuous state goal of domestic economic upliftment remains the ultimate objective of all external engagement.
- **Institutional Memory:** The Indian Foreign Service (IFS) ensures that diplomatic practice remains professional and consistent

across changing governments.

Dynamic Factors (Change)

These elements drive India's evolution into a more assertive global player:

Geopolitical Potential: India's role as the "Net Security Provider" in the Indian Ocean Region (IOR) and its status as the second-largest military manpower globally.

- **The Demographic Dividend:** The ambitions of a young, anti-status-quo population push the state toward more innovative and risk-taking diplomacy.
- **The "China Challenge":** The need to "catch up" with China acts as a constant pressure for innovation in infrastructure and regional partnerships.
- **Digital Statecraft:** The move toward Digital Public Infrastructure (DPI) and digitized consular services (e-Visas/Passports) has changed how India projects power.
- **The Diaspora Multiplier:** 18 million overseas Indians act as a dynamic lobby, enhancing India's "Brand Value" and strategic leverage in host countries.

5. Critical Challenges to India's Foreign Policy

India's rise is contingent upon its ability to neutralize threats that are increasingly transnational and resource-driven.

A. The Nuclear Dilemma & Proliferation

The global nuclear order is in a state of flux. The breakdown of major arms-control agreements (like the US-Russia treaties and the JCPOA/Iran Deal) has increased the risk of proliferation to

"irresponsible" states and non-state actors.

- **The Neighborhood Challenge:** India is uniquely positioned between two nuclear-armed neighbors (China and Pakistan). This "Two-Front" nuclear environment necessitates a credible Minimum Nuclear Deterrence while simultaneously advocating for global, non-discriminatory disarmament.

B. The Energy Security Tightrope

India's economic growth is tethered to its energy imports, particularly crude oil and gas.

- **The Sourcing Paradox:** India must maintain a delicate "Strategic Autonomy" between conflicting interests.
 - **The Russia-US Balance:** Buying discounted Russian oil during the Ukraine crisis required high-level diplomacy to avoid US sanctions while maintaining a centuries-old partnership with Moscow.
 - **The West Asia Factor:** Ensuring stable supplies from the Middle East and Iran requires India to navigate the complex sectarian and geopolitical rivalries of the region.

C. The "Blue Gold" Crisis (Water Security)

Water is projected to be the primary source of 21st-century conflict. As a "lower riparian" state for many transboundary rivers, India faces immense pressure.

- **Diplomatic Task:** Ensuring that international water-sharing

agreements (like those involving the Indus or Brahmaputra) protect India's developmental needs without compromising regional stability.

D. Food Security & Finite Resources

With a growing population and shrinking arable land, the "Global Scramble for Food" is a looming reality.

- **Diplomatic Task:** Securing international supply chains and using agricultural diplomacy (e.g., grain exports to the Global South) to build strategic goodwill while ensuring domestic reserves remain untouched.

E. The Scourge of Terrorism

Asia remains the world's most active region for terrorism. India's challenge is twofold:

- **The "Double-Edged" Neighbor:** Navigating relations with a state that both sponsors cross-border terrorism and is a victim of it (Pakistan).
- **The Taliban Factor:** Dealing with a neighboring regime (Afghanistan) led by an organization that was previously a non-state actor.
- **Global Advocacy:** India continues to push for the **Comprehensive Convention on International Terrorism (CCIT)** at the UN to create a unified global legal framework against terror.

F. Climate Change & "Environmental Justice"

India views climate change through the lens of Equity and Common But Differentiated Responsibilities (CBDR).

- **The Diplomatic Fight:** India resists attempts by "traditional polluters" (industrialized Western nations) to impose the same mitigation standards on developing economies.
- **India's Leadership:** Through initiatives like the International Solar Alliance (ISA) and Global Biofuels Alliance, India is positioning itself as a "Climate Leader" rather than just a "Climate Follower."

6. Conclusion: The Roadmap to "Pole" Status

India is no longer content being a "Middle Power." It has demonstrated the political will to be a "Pole" in the multipolar world order. However, achieving this status depends on two internal factors:

1. **Domestic Stability:** Economic prosperity and social harmony are the prerequisites for external strength.
2. **Political Consensus:** Maintaining a "Broad National Consensus" on foreign policy ensures that India speaks with one voice on the global stage, regardless of which party is in power.

Unit -5

Non-Alignment Movement (NAM)

1. Introduction: The Strategy of "Soft Balancing"

The Non-Alignment Movement (NAM) emerged post-WWII as a collective platform for "Third World" countries. Its primary mission was to safeguard the newly won sovereignty of decolonized nations and prevent them from becoming "pawns" in the Cold War rivalry.

THE NON-ALIGNMENT MOVEMENT (NAM)
A LEGACY OF INDEPENDENCE, A VOICE FOR THE GLOBAL SOUTH

1) INTRODUCTION: THE STRATEGY OF "SOFT BALANCING"

The Non-Alignment Movement (NAM) emerged post-WWII as a collective platform for "Third World" countries. Its primary mission was to safeguard the newly won sovereignty of decolonized nations and prevent them from becoming "pawns" in the Cold War rivalry.

2) HISTORY AND EVOLUTION OF NAM

A. BANDUNG CONFERENCE (1955)

The most significant antecedent to NAM, where 29 Asian and African leaders met in Indonesia.

B. BELGRADE SUMMIT (1961)

The formal birth of NAM.

3) EARLY OBJECTIVES AND ACHIEVEMENTS

DECLONIZATION
NAM was the primary diplomatic engine that accelerated the end of colonial rule in Africa and Asia.

ANTI-APARTHEID
It provided a global stage to delegitimize the racial regime in South Africa.

AGENDA

- Better valuation for raw materials
- MNC accountability
- Technology transfer

4) THE CASE FOR A REDUNDANT NAM (THE CRITICS)

EXPERT OPINIONS

5) IS NAM REALLY REDUNDANT? (THE COUNTER-ARGUMENT)

6) RELEVANCE OF NAM FOR INDIA

7) CONCLUSION: FROM NAM TO "STRATEGIC AUTONOMY"

NAM: From a Movement of Survival to a Mission for a Just, Peaceful, and Equitable World Order.

- **Prof. T.V. Paul's Perspective:** He defines NAM as a classic example of **"Soft Balancing."** Since these nations lacked the material or military power to challenge superpowers directly, they used **Normative Power**—leveraging values like peace,

disarmament, and autonomy—to delegitimize the arms race and imperial ventures.

2. History and Evolution of NAM

A. Bandung Conference (1955)

The most significant antecedent to NAM, where 29 Asian and African leaders met in Indonesia.

- **The "Bandung Spirit":** It represented the first post-colonial generation's desire for development over ideological warfare.
- **Outcome:** The proclamation of the "Ten Principles of Bandung" (Dasasila Bandung), which focused on respect for sovereignty, equality of races, and non-intervention.

B. Belgrade Summit (1961)

The formal birth of NAM.

- **The Founders:** Led by Nehru (India), Tito (Yugoslavia), Nasser (Egypt), Nkrumah (Ghana), and Sukarno (Indonesia).
- **"Movement" vs. "Organization":** It was intentionally called a *movement* to avoid bureaucratic rigidity and to signal a dynamic, evolving agenda.
- **Current Strength:** 120 member states and 20 observer states, representing the largest grouping of nations outside the UN.

3. Early Objectives and Achievements

- **Decolonization:** NAM was the primary diplomatic engine that

accelerated the end of colonial rule in Africa and Asia.

- **Anti-Apartheid:** It provided a global stage to delegitimize the racial

regime in South Africa.

- **NIEO (New International Economic Order):** Launched at the 1973 Algiers Summit, it used "Dependency Theory" to argue that wealth was being drained from the "Periphery" (developing world) to the "Core" (West).
 - **Agenda:** Better valuation for raw materials, MNC accountability, and technology transfer.
 - **The Failure:** Lack of solidarity and the "Utopian" nature of the proposals led to little concrete outcome.

4. The Case for a Redundant NAM (The Critics)

Critics argue that NAM is a "relic of the past" that should be disbanded.

- **End of the Cold War:** With the collapse of the USSR, the "raison d'être" (reason for existence) of staying between two blocs vanished.
- **Dependence on the West:** Many members are now economically tied to the US, making "non-alignment" a myth.
- **Internal Conflicts:** NAM failed to stop conflicts between its own members (e.g., Iraq's invasion of Kuwait) or internal collapses (e.g., Yugoslavia).
- Expert Opinions:
 - **C. Raja Mohan:** Suggests NAM is in a "coma" because countries are too sentimental to bury it.

- **S. Jaishankar:** Notes that while the *concept* of independence of action remains, India must move beyond the "temporality" of NAM to respond to modern realities.

5. Is NAM Really Redundant? (The Counter-Argument)

The movement remains a vital "safety net" for the Global South.

- **Protection against Unipolarity:** It prevents Washington (or now Beijing) from becoming the sole "Political Mecca" for the world.
- **New Challenges:** Terrorism, Climate Change, and Digital Colonialism require a collective voice that organizations like the G7 or G20 (dominated by big powers) may not provide.
- **Resurrection of Soft Balancing:** As great power competition (US vs. China) returns, smaller states need NAM to "cushion" the world from a hot war.

6. Relevance of NAM for India

For India, NAM is not just history; it is a tool for **Soft Power** and Leadership.

- **Leadership of the Global South:** As India aspires to be a "Vishwa Bandhu" (Friend of the World), NAM provides the largest constituency of support.
- **Strategic Autonomy:** NAM allows India to manage its "Multi-alignment"—engaging with the US, Russia, and China on its own terms.
- **The 2020 Pivot:** PM Modi's participation in the virtual summit

("United Against COVID-19") signaled that India views NAM as the "**Moral Voice**" of the world, especially in advocating for vaccine equity and healthcare access.

7. Conclusion: From NAM to "Strategic Autonomy"

NAM today represents the "Right to Independence and Development." As P.V. Narasimha Rao famously stated, the urge for a nation to take its own decisions—regardless of how many power blocs exist—is the eternal spirit of non-alignment.

The movement's future lies in its ability to transition from Anti-Colonialism to Global Governance Reform (restructuring the UN, WTO, and IMF).

Unit - 6

SAARC (South Asian Association for Regional Cooperation)

REGIONAL COOPERATION IN SOUTH ASIA & BEYOND
SAARC, BIMSTEC & INDIA-ASEAN RELATIONS

1. SAARC (South Asian Association for Regional Cooperation)

BRIEF INTRODUCTION

- Founded on December 8, 1985, in Dhaka.
- Members: 8 (Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka).
- Headquarters: Kathmandu, Nepal.
- Latest Status (May 2026): SAARC remains largely "in intensive care". The 19th Summit (scheduled for Islamabad) has been in limbo since 2016. Functional cooperation continues through India's South Asian University (SAU) in India and SAARC Development Fund in Bhutan.

MEMBER COUNTRIES (8)

Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka

2. OBJECTIVES OF SAARC

- Promote the welfare of the peoples of South Asia.
- Accelerate economic growth, social progress & cultural development.
- Promote collective self-reliance.
- Strengthen cooperation in science & technology.
- Respect for sovereignty, territorial integrity & independence.
- Effective cooperation in fields of education, health, culture, tech & environment.
- Cooperate in the field of international forums.
- Strengthen cooperation among existing SAARC organizations.

PRINCIPLE OF UNANIMITY:
Decisions are taken only if all members agree. Bilateral issues are excluded.

3. SAARC SUMMITS

- Biennial summits are the highest authority.
- First summit in 2016 after Sri Lankan attacks; India & others boycotted the Islamabad summit.
- 2020: COVID-19 Emergency Fund collaboration via video conference.
- No formal head-of-state summit in over a decade.

4. SAFTA (South Asian Free Trade Area)

- Signed 2004 | Effective: 2006.
- Interregional trade in South Asia – 0% (vs 25% in ASEAN).
- "Sensitive List" problems: Long lists of items exempt from tariff concessions and as a protectionist tool, stifling the Free Trade Area.

5. REASONS FOR THE FAILURE OF SAARC

- India-Pak rivalry: The "zero-sum" game.
- Between the two largest members, asymmetry: India's size creates "Big Brother" syndrome among neighbours.
- Trust Deficit: Lack of connectivity and political will to implement agreements.
- External Influence: Growing Chinese footprint in South Asia through the Belt and Road Initiative.

6. FUTURE OF SAARC

- Future depends on "redefinition of the neighbourhood".
- Subscribers say SAARC is "dead", others say it is a "dormant" asset.
- Regionalism cannot be "hard history" by one country (e.g., referring to Pakistan) EAM S. Jaishankar.
- India now prioritises other platforms.

7. RELEVANCE OF SAARC FOR INDIA

- Leadership of the Global South: Largest constituency of support for India as "Vishwa Bandhu".
- Strategic Autonomy: Enables India to manage its "Multi-alignment" with US, Russia, China on its own terms.
- The 2023 PM-led summit participation ("United Against COVID-19") signalled NAM as the "Right Voice" for vaccine equity & healthcare access.

8. CONCLUSION: FROM NAM TO "STRATEGIC AUTONOMY"

NAM today represents the "Right to Independence and Development".

"The urge for a nation to take its own decisions—regardless of how many power blocks exist—is the eternal spirit of non-alignment."

P.V. Narasimha Rao

The movement's future lies in transitioning from the post-Colonialism to Global Governance Reform (restructuring the UN, WTO, IMF).

BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation)

BRIEF INTRODUCTION

- Established in 1997 via the Bangkok Declaration.
- Connects five South Asian nations with two Southeast Asian nations (Myanmar & Thailand).
- Members: (Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, Thailand).
- Secretariat: Dhaka, Bangladesh.

MEMBER COUNTRIES (7)

Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, Thailand

ANALYSIS OF BIMSTEC: WHY IT MATTERS IN 2026

The Charter (2002/2004). The formal adoption of the BIMSTEC Charter has finally given the group a legal personality.

Bangkok Vision 2030: Recent summits focus on "Prosperous, Resilient, and Open" region.

Strategic Advantage: Unlike SAARC, BIMSTEC members share a common goal of maritime security in the Bay of Bengal and lack the paralyzing bilateral friction found in SAARC.

Feature	SAARC vs BIMSTEC	BIMSTEC
Members	South Asia (Regional)	Bay of Bengal (Inter-regional)
Focus	2 (Excludes Pak, Afg)	2 (Excludes Pak, Afg)
Key Advantage	High cultural/organic unity.	Links South Asia with SE Asia (ASEAN)
Key Challenge	India-Pakistan rivalry.	Myanmar's internal instability.
India's Policy	"Neighbourhood First" (Bilateral)	"Act East" & "Neighbourhood First" (Active)
Character	Political/Conflict-heavy.	Economic/Technical-focused.

CONCLUSION

For India, BIMSTEC is not just a "SAARC minus Pakistan", but a strategic vehicle to integrate its North-Eastern states with Southeast Asia. While SAARC remains the only platform for all of South Asia, BIMSTEC is currently the more functional and energetic alternative for regional growth.

INDIA-ASEAN RELATIONS

1. INTRODUCTION

- ASEAN was founded in 1967 by Indonesia, Malaysia, Philippines, Singapore & Thailand to accelerate economic growth & maintain regional stability.
- Now has ten members, with Cambodia joining in 1999.
- India & ASEAN share deep historical & cultural links: Buddhism, Sanskrit, Mahabharata, Malabar Coast.
- Trade: India's top export destination & ASEAN's 6th largest market.
- India's economic growth & ASEAN's economic reforms triggered strategic re-engagement.
- South Asian Regional Partnership (SARP) > Shanghai Cooperation Organisation (SCO).
- India-ASEAN is the cornerstone of India's Act East Policy & a key pillar of its Indo-Pacific strategy.

2. ECONOMIC & MARITIME

Economic: ASEAN is India's fourth largest trading partner.

Maritime: Control over critical sea lanes linking the Indian & Pacific Oceans (Malacca Strait).

3. CHALLENGES IN THE RELATIONSHIP

- India's trade deficit with ASEAN has widened.
- Differences on issues like the South China Sea code of conduct.

4. KEY ACHIEVEMENTS & COOPERATION AREAS

(C) Comprehensive Strategic Partnership (Upgraded in 2022).

Cooperation in trade, investment, connectivity, digital economy, energy, education, healthcare & tourism.

Making digital cooperation stronger, people-to-people & civilizational links.

Enhance & inclusive Indo-Pacific.

Regular India-ASEAN Summits & Ministerial meetings ensure strong dialogue & coordination.

5. CONCLUSION

Despite some frictions, ASEAN remains one of India's most successful and consistent regional partnerships—driven by shared values, economic complementarities, and a common vision for peace and prosperity.

Brief Introduction

Founded on **December 8, 1985**, in Dhaka, SAARC is the primary intergovernmental organization for regional integration in South Asia.

- Members:** 8 (Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka).
- Headquarters:** Kathmandu, Nepal.
- Latest Status:** As of May 2026, SAARC remains largely "in intensive care." The 19th **Summit** (scheduled for Islamabad) has been in limbo since 2016. However, functional cooperation continues

through specialized bodies like the South Asian University (SAU) in

- India and the SAARC Development Fund in Bhutan.

Objectives of SAARC

The Charter outlines eight core objectives focused on welfare, collective self-reliance, and mutual trust. A critical procedural rule is the Principle of Unanimity: decisions are only made if all members agree, and bilateral/contentious issues (like the Kashmir dispute) are officially excluded from deliberations to prevent the forum from becoming a battlefield.

SAARC Summits

The biennial summits are the highest authority. The deadlock began in 2016 following the Uri and Pathankot attacks, leading India and several other members to boycott the Islamabad summit. While there was a brief "COVID-19 Emergency Fund" collaboration in 2020 via video conference, no formal head-of-state summit has occurred in over a decade.

South Asian Free Trade Area (SAFTA)

- **Signed:** 2004; **Effective:** 2006.
- **The Reality:** Intraregional trade in South Asia stays stagnant at around **5%**, compared to **25% in ASEAN**.
- **The "Sensitive List" Problem:** Countries maintain long lists of "sensitive items" that are exempt from tariff concessions, effectively acting as a protectionist tool that stifles the Free Trade

Area.

Reasons for the Failure of SAARC

1. **Indo-Pak Rivalry:** The "zero-sum" game between the two largest members.
2. **Asymmetry:** India's sheer size (economic and demographic) creates a "Big Brother" syndrome among neighbors.
3. **Trust Deficit:** Lack of connectivity and political will to implement agreements.
4. **External Influence:** Growing Chinese footprint in South Asia through the Belt and Road Initiative (BRI).

Future of SAARC

The future depends on the "redefinition of the neighborhood." While scholars argue SAARC is dead, others suggest it is a "dormant" asset. As External Affairs Minister S. Jaishankar has noted, regionalism cannot be "held hostage" by one country's behavior (referring to Pakistan), leading India to prioritize other platforms.

Unit - 7

BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation)

Brief Introduction

Established in **1997** via the Bangkok Declaration, BIMSTEC connects five South Asian nations with two Southeast Asian nations (Myanmar and Thailand), acting as a bridge between **SAARC** and **ASEAN**.

- **Members:** 7 (Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, Thailand).
- **Secretariat:** Dhaka, Bangladesh.

Analysis of BIMSTEC: Why it matters in 2026

BIMSTEC has transitioned from a "talk shop" to a "doing shop."

- **The Charter (2022/2024):** The formal adoption of the BIMSTEC Charter has finally given the group a legal personality.
- **Bangkok Vision 2030:** Recent summits have focused on a "Prosperous, Resilient, and Open" region.
- **Strategic Advantage:** Unlike SAARC, BIMSTEC members share a common goal of maritime security in the Bay of Bengal and lack

the paralyzing bilateral friction found in SAARC.

Feature	SAARC	BIMSTEC
Focus	South Asia (Regional)	Bay of Bengal (Inter-regional)
Members	8 (Includes Pak, Afg)	7 (Excludes Pak, Afg; Includes Thai, Myan)
Key Advantage	High cultural/organic unity.	Links South Asia with SE Asia (ASEAN).
Key Bottleneck	India-Pakistan rivalry.	Myanmar's internal instability.
India's Policy	"Neighborhood First" (Stalled)	"Act East" & "Neighborhood First" (Active)
Character	Political/Conflict-heavy.	Economic/Technical-focused.

Conclusion

For India, BIMSTEC is not just a "SAARC minus Pakistan," but a strategic vehicle to integrate its North-Eastern states with Southeast Asia. While SAARC remains the only platform for all of South Asia, BIMSTEC is currently the more functional and energetic alternative for regional growth.

Unit -8

India-ASEAN relations:

Introduction

- The Association of Southeast Asian Nations (ASEAN) was founded in 1967 by Indonesia, Malaysia, the Philippines, Singapore, and Thailand to accelerate economic growth and maintain regional stability.
- It now has ten members, with Cambodia being the last to join in 1999.
- India and ASEAN share deep historical and cultural bonds—spread of Buddhism, shared Ramayana and Mahabharata traditions, and centuries of maritime trade via the Malacca Strait.
- Despite these links, the Cold War era saw minimal engagement due to India's socialist economic model and ASEAN's anti-communist orientation.
- The end of the Cold War and India's 1991 economic reforms triggered a strategic re-engagement.
- India became a sectoral dialogue partner in 1992, a full dialogue partner in 1995, and a summit-level partner in 2002.
- Today, ASEAN is the cornerstone of India's Act East Policy and a key pillar of its Indo-Pacific strategy.
- For India, ASEAN offers multiple strategic benefits:

- Economic: ASEAN is India's fourth largest trading partner.
- Maritime: Control over critical sea lanes linking the Indian and Pacific Oceans.
- Geopolitical: A platform to balance China's growing assertiveness in the region.
- However, the relationship is not without friction—India's trade deficit with ASEAN has widened, and both sides differ on the South China Sea code of conduct.
- Nevertheless, ASEAN remains one of India's most successful and consistent regional partnerships.

1. The Foundations: Shared Heritage

The "historical, religious, and cultural" links you mentioned are often referred to as **Civilizational Ties**.

- **Religion:** The spread of Buddhism from India to Southeast Asia (Cambodia, Thailand, Laos, etc.) and the influence of Hinduism (seen in the architecture of Angkor Wat or the Ramayana traditions in Indonesia).
- **Colonialism:** Many members (like Myanmar, Malaysia, and Singapore) shared the experience of British rule, while others fought Dutch or French colonialism, creating a shared "Post-Colonial" identity.
- **Maritime History:** Ancient trade routes across the Bay of Bengal and the Andaman Sea fostered exchange long before modern diplomacy began.

2. Evolution of Modern Diplomacy

India's modern engagement moved from "benign neglect" during the Cold War to a central pillar of its foreign policy today:

Stage	Year	Significant Shift
Look East Policy	1991	Launched by PM P.V. Narasimha Rao to reconnect economically after the Cold War.
Full Dialogue Partner	1996	India graduated from a "Sectoral Partner" (1992) to a full participant.
Summit-Level Partner	2002	Annual summits between India and ASEAN leaders began.
Strategic Partnership	2012	Marking 20 years of dialogue, the relationship was elevated to strategic cooperation.
Act East Policy	2014	Shifted focus from purely economic to Strategic and Security engagement.
Comprehensive Strategic Partnership	2022	The highest level of partnership, focusing on digital and maritime security.

3. The 2026 Landscape: Current Strategic Pillars

As of now, the relationship is focused on four key areas:

Maritime Cooperation (Year 2026)

PM Modi has declared 2026 as the "Year of ASEAN-India Maritime Cooperation." This is critical because:

- Both parties emphasize a "Free, Open, and Inclusive Indo-Pacific."
- Joint naval exercises (like the AIME - ASEAN-India Maritime Exercise) have become more frequent to ensure sea lanes remain open amidst regional tensions.

Economic Integration & AITIGA

While the India-ASEAN Free Trade Agreement (2009) boosted trade, it led to a massive trade deficit for India (roughly \$44 billion by 2023).

- **2026 Update:** India and ASEAN are currently in the final stages of reviewing the AITIGA (ASEAN-India Trade in Goods Agreement) to make it more "user-friendly" and balanced for Indian exporters.

Digital Connectivity

A major highlight in 2026 is the expansion of **FinTech**:

- India's UPI is being linked with payment systems in Singapore (PayNow), Vietnam, and Thailand, facilitating seamless cross-border remittances for the diaspora and tourists.

Strategic Autonomy

Both India and ASEAN (following the "ASEAN Outlook on the Indo-Pacific") seek to avoid choosing sides in the US-China rivalry. They view their

partnership as a way to create a "Multiplex World" where middle powers have a decisive say in regional security.

4. Challenges & "The Trust Deficit"

Recent 2026 surveys (such as the ISEAS State of Southeast Asia Report) show a **"paradoxical trust deficit."** While diplomatic activity is high, some maritime nations (like Indonesia and Malaysia) remain wary of India's economic limitations and its focus on the India-Pakistan dynamic. Bridging this gap through consistent delivery of connectivity projects (like the India-Myanmar-Thailand Trilateral Highway) remains the top priority.

The shift from "Benign Neglect" to "Active Engagement."

1. Cold War Era: The "Estranged" Period

During the Cold War, India-ASEAN relations were characterized by "Ideological Asymmetry."

- **The Suspicion:** India viewed ASEAN as a "pro-Western" proxy of the US designed for the Containment of Communism. Conversely, ASEAN nations (mostly pro-capitalist) viewed India's 1971 Treaty of Peace with the USSR as evidence that India was a Soviet satellite.
- **ZOPFAN (1971):** While both India and ASEAN desired the Zone of Peace, Freedom, and Neutrality, they could not cooperate because their "Strategic Partnerships" were with opposing superpowers.

2. 1991: The "Structural Shift" (Birth of LEP)

The transition to the Look East Policy (LEP) was not just a choice, but a response to three major crises:

1. **Collapse of USSR:** India lost its primary strategic and economic partner.
2. **BoP Crisis (1991):** India's economic survival required opening up to the high-growth "Tiger Economies" of Southeast Asia.
3. **Regionalism:** The rise of trade blocs (EU, NAFTA) meant India had to integrate with its own neighborhood to avoid isolation.

3. Evolution of Institutional Ties

India's ascent within the ASEAN hierarchy reflects its growing Material and Normative Power:

- **1992:** Sectoral Dialogue Partner.
- **1996:** Full Dialogue Partner (signifying political acceptance).
- **2002:** Summit-level Partner (First summit in Phnom Penh).
- **2012:** Strategic Partner (Focus on defense and counter-terrorism).
- **2022:** Comprehensive Strategic Partnership (CSP) (The current gold standard).

4. From "Look East" to "Act East" (AEP)

In 2014, the policy was renamed to signal a move from Rhetoric to Action.

- **The Jakarta Mission (2015):** India became one of the few nations with a dedicated ambassador to ASEAN, moving diplomacy from "Delhi-centric" to "ASEAN-centric."
- **2018 Republic Day:** Inviting all 10 ASEAN heads as Chief Guests

was an exercise in "Symbolic Diplomacy" and demonstrated India's Centrality in the region's security architecture.

5. Critical Analysis: The "Expectation Gap"

Despite the celebrations, several scholars (like **C. Raja Mohan**) point to a mismatch in capabilities:

- **The "China Factor":** While India is seen as a "benign balancer," its economic footprint is dwarfed by China's **Belt and Road Initiative (BRI)**. India's decision to exit the **RCEP** (Regional Comprehensive Economic Partnership) created a perception that it is "protectionist."
- **Security Guarantees:** ASEAN nations in the South China Sea dispute (like Vietnam and the Philippines) want India to be more assertive. India's focus on the Indo-Pacific and the **Quad** is seen as a positive step, but there is a persistent "delivery deficit" in infrastructure projects.
- **SAARC to BIMSTEC to Indo-Pacific:** India's eastward shift is a strategic "de-hyphenation" from Pakistan. By prioritizing BIMSTEC, India uses Southeast Asia as a gateway to escape the "South Asian cage."

Economic Relations –

1. **The Statistical Reality (2016–2026):** The trajectory from the early 2000s to the current 2026 landscape shows a transition from "quantity" to "quality" and "strategic calibration."

2023-24	120.89	41.21	79.66	-38.45
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2024-25*	123.12	38.96	84.16	-45.20
2025-26 (Est)	~128.00	~40.00	~88.00	-48.00

Critical Observation: While trade has indeed grown "25 times in 25 years," the deficit has grown even faster. This imbalance is the primary driver behind India's current economic diplomacy with ASEAN.

2. The RCEP Exit: A Strategic Pivot

A major turning point not fully captured in the 2018/19 snippets is India's 2019 withdrawal from the Regional Comprehensive Economic Partnership (RCEP).

- **The Reason:** India feared that RCEP would allow a "backdoor entry" for Chinese goods into the Indian market via ASEAN nations, further crippling local manufacturing (Atmanirbhar Bharat).
- **The 2026 Perspective:** In May 2026, India is pursuing a "Selective Integration" strategy. Instead of a single massive bloc, it is negotiating high-standard bilateral deals (like those recently signed with Australia and the UAE) while simultaneously revamping the existing ASEAN FTA.

3. The AITIGA Review

As of **May 2026**, the most significant economic event is the ongoing review of the ASEAN-India Trade in Goods Agreement (AITIGA).

- **India's Goal:** To address the Inverted Duty Structure (where raw materials are taxed higher than finished goods) and secure better market access for Indian agriculture and textiles.
- **The Challenge:** ASEAN nations are hesitant to grant more concessions, leading to what diplomats call a "stalled" negotiation phase.

4. New Frontiers of 2026: Digital & Services

While merchandise trade faces friction, the Services and Digital sectors are thriving:

- **FinTech Connectivity:** In early 2026, the linkage between India's UPI and systems like Singapore's PayNow and Vietnam's digital payment architecture has become a model for the region.
- **Energy Trade:** India is exploring the "One Sun, One World, One Grid" initiative, seeking to link its power grid with Myanmar and Thailand to export renewable energy.

Social and Cultural Relations:

It highlights the "Soft Power" dimension of India's Act East Policy. While economic and political ties often face friction, the civilizational bond remains the most resilient and "organic" part of the relationship.

1. Civilizational Heritage: The "3 B's"

India's cultural diplomacy in Southeast Asia is often anchored by three pillars: Buddhism, Business (Maritime), and Bali-Ramayana.

- **The Ramayana (The Epic Bond):** Known as Kakawin Ramayana in Indonesia, Ramakien in Thailand, and Reamker in Cambodia.

This shared literary heritage provides a common ethical and artistic vocabulary.

- **Buddhism:** As the "Land of the Buddha," India leverages the **Buddhist Circuit** to attract pilgrims from Thailand, Vietnam, and Myanmar.
- **Maritime Silk Road:** Historical trade routes didn't just carry spices and textiles; they carried Sanskrit, scripts (like the Kawi script), and architectural styles (visible in the temples of Prambanan and Angkor Wat).

2. Institutionalizing "Soft Power" (2015–2026)

As your notes indicate, the goal since 2015 has been to move from "accidental" cultural overlap to **"Institutionalized"** engagement.

A. Youth and Academic Exchange

- **ASEAN-India Youth Summit:** Now a regular feature, focusing on "Digital Bonding" among Gen Z.
- **Nalanda University:** Revived as an international institution with participation from ASEAN members to reclaim India's status as a global "Vishwa Guru" (Knowledge Hub).
- **Doctoral Fellowships:** India offers 1,000 PhD fellowships to ASEAN students at the Indian Institutes of Technology (IITs).

B. Connectivity of the Mind: Think Tanks and Media

- **AINTT (ASEAN-India Network of Think Tanks):** Established to provide policy inputs and bridge the "perception gap" between New Delhi and Jakarta/Bangkok.

- **Media Exchange Programs:** Annual visits of ASEAN journalists to India and vice versa to counter Western-centric narratives of the region.

3. Current Developments: The 2026 Perspective

In the current 2026 landscape, the "Sushma Swaraj Vision" has evolved into several high-tech cultural initiatives:

- **Digital Preservation of Heritage:** India's Ministry of Culture is assisting in the 3D-mapping and digital restoration of shared heritage sites like **Wat Phou (Laos)** and **My Son Sanctuary (Vietnam)**.
- **The "Vishwa Bandhu" Philosophy:** Under PM Modi, the concept of being a "Global Friend" has led to increased **Medical Tourism** and **Yoga Diplomacy** (International Day of Yoga is celebrated with massive participation in Singapore and Bali).
- **Diaspora as Bridges:** The 6-million-strong Indian diaspora in Southeast Asia (especially in Singapore, Malaysia, and Thailand) is now officially recognized as a **"Strategic Asset"** that facilitates cultural and economic "Last-Mile Connectivity."

4. Critical Analysis

While cultural ties are strong, a common critique **"Delivery vs. Discovery"** gap.

- **The Argument:** India is excellent at "discovering" shared history (Ramayana, Buddhism) but often lags in "delivering" modern cultural products (Bollywood/Yoga) compared to the global

reach of Korean Pop (K-Pop) or Chinese soft power investments.

- **Strategic Use:** Cultural relations are used as a "Normative Buffer"—they remind ASEAN nations that unlike other major powers, India's historical influence was through trade and religion, not military conquest or colonialism.

As of **now**, it has transitioned from a primarily cultural project to a critical vehicle for "Grassroots Diplomacy" through **Quick Impact Projects (QIPs)**.

1. Latest Meetings & Institutional Status

- **The 12th MGC Foreign Ministers' Meeting (FMM):** Held in Bangkok in July 2023, co-chaired by India and Lao PDR.
- **The 2026 Context:** While a formal 13th FMM is slated for later this year, the focus has shifted to bilateral "Enhanced Strategic Partnerships" within the MGC framework (e.g., the high-level visit of the Vietnamese President to India in May 2026).
- **Expansion of Areas:** In addition to the "foundational four," the MGC now prioritizes Digital Public Infrastructure (DPI), Health Security, and Water Resource Management (specifically focused on the sustainable use of the Mekong river).

2. The "Quick Impact Projects" (QIPs)

The QIPs are the most vital aspect of the MGC. Unlike large-scale infrastructure (like the Trilateral Highway), these are small, high-visibility grants that produce immediate socio-economic benefits.

- **Total Reach:** India has now implemented over 100 QIPs across

the five Mekong countries.

- **Case Study (Vietnam):** As of May 2026, 66 QIPs have been completed across 32 provinces in Vietnam, focusing on rural water supply, schools, and digital learning centers.
- **Impact:** These projects help counter the "debt-trap" narrative of other major powers by providing non-reciprocal, grant-based assistance directly to local communities.

3. Key Joint Projects under the MGC Umbrella

Connectivity: The Trilateral Highway

- **Status 2026:** The India-Myanmar-Thailand (IMT) Trilateral Highway remains the "physical spine" of the MGC. While technical challenges in Myanmar persist, India has accelerated work on the Kalewa-Yagyi road and the reconstruction of 69 bridges on the Tamu-Kyigone-Kalewa section.

Cultural: The MGC Asian Traditional Textile Museum

- **Location:** Siem Reap, Cambodia.
- **Significance:** It serves as the primary cultural repository for the MGC, showcasing the shared weaving traditions of the Ganga and Mekong basins.

Educational: MGC Scholarship Scheme

- **Update:** The number of annual scholarships provided by the ICCR for MGC countries has been increased, with a new focus on S.T.E.M. and Climate Science as of the 2025-26 academic cycle.

Strategic Goal	MGC Role
Act East Policy	Acts as the gateway to the "Mainland" Southeast Asia (Indochina).
Neighborhood First	Strengthens ties with Myanmar and Thailand (India's immediate maritime and land neighbors).
Countering Dominance	Provides an alternative development model to the Lancang-Mekong Cooperation (led by China).

4. The Kaladan Multi-Modal Transit Transport Project (KMTTP) is perhaps the most ambitious and strategically vital connectivity project under India's "Act East Policy." It aims to bypass the narrow **Siliguri Corridor** (the "Chicken's Neck") by providing a sea-river-road link to Northeast India.

1. The Multi-Modal Path: A Three-Leg Journey

The project is "multi-modal" because it uses three distinct modes of transport to connect Kolkata to Mizoram:

- 1. Sea Leg:** Kolkata Port to Sittwe Port (Myanmar) – Approx. 539 km across the Bay of Bengal.
- 2. River Leg:** Sittwe to Paletwa (Chin State) – 158 km navigation along the Kaladan River.
- 3. Road Leg:** Paletwa to Zorinpu (Indo-Myanmar Border in Mizoram) – 110 km highway.

2. Strategic Significance

- **The "Chicken's Neck" Alternative:** Currently, all goods to

the Northeast must travel through the 22 km wide Siliguri Corridor.

KMTTP reduces the distance from Kolkata to Mizoram by nearly 1,000 km and the travel time by 3–4 days.

- **Gateway to the Bay of Bengal:** By gaining operational control of Sittwe Port in 2024 (managed by IPGL), India has secured a strategic maritime foothold to counter China's presence at the Kyaukpyu Port (part of the CMEC) located nearby.
- **Regional Integration:** As you rightly mentioned, it isn't just for India. It potentially links the landlocked economies of Bhutan and Nepal to Southeast Asian markets via the Bay of Bengal.

3. Current Challenges: The "Myanmar Crisis" (2024–2026)

The project is currently a "Geopolitical Hostage" to the internal conflict in Myanmar.

- **Rebel Control (The Arakan Army):** Since early 2024, the Arakan Army (AA) has taken control of vast territories in the Rakhine and Chin states, including the crucial town of Paletwa.
- **Status of Construction:** While the port at Sittwe and the inland water terminal at Paletwa are completed, the 110 km road segment between Paletwa and the Indian border is the "missing link." Work has been frequently halted due to security threats and the displacement of workers.
- **Diplomatic Dilemma:** India faces a tough choice: continuing to engage with the military junta (SAC) to protect its investments, or opening informal channels with ethnic armed organizations (like the Arakan Army) who now physically control the project

sites.

Security Relations:

The transition in Security Relations from the mutual suspicion of the 1990s to the "Comprehensive Strategic Partnership" of 2026 is one of the most dynamic aspects of India-ASEAN ties. It is vital to frame this as a move from "Strategic Hedge" to "Active Balancing."

The Evolution: From "Threat" to "Net Security Provider"

As your notes highlight, the early 1990s were marked by the "India Threat" perception. Southeast Asian nations feared India's naval expansion (specifically the Far Eastern Naval Command in the Andaman & Nicobar Islands).

- **The Turning Point:** The **2004 Tsunami** changed this perception. The Indian Navy's rapid humanitarian assistance and disaster relief (HADR) showcased India as a "benign power."
- **Institutional Integration:** India joined the ARF (1996), then the East Asia Summit (2005), and finally the ADMM-Plus (ASEAN Defence Ministers' Meeting Plus), cementing its role in the regional security architecture.

2. The Vietnam-India "Special Relationship"

Vietnam remains the "Pillar of the Act East Policy." This partnership is no longer just about oil exploration; it has moved into heavy defense cooperation.

- **Maritime Domain:** India's OVL continues to operate in the South

China Sea (SCS) despite Chinese protests, asserting the principle of Freedom of Navigation.

- **Defense Exports:** A major 2026 update is the successful operationalization of the BrahMos Missile deal with the Philippines and ongoing negotiations with Vietnam and Indonesia. This marks India's transition from an arms importer to a security exporter in the region.
- **Submarine Training:** India provides specialized training to Vietnamese sailors on Kilo-class submarines, a critical capability for countering maritime incursions.

3. Joint Military Exercises: The "Interoperability" Goal

India now conducts some of its most sophisticated military drills with ASEAN partners to build interoperability.

Exercise Name	Partner	Force	Significance
SIMBEX	Singapore	Navy	India's longest-running uninterrupted naval exercise.
AIME	ASEAN-wide	Navy	The ASEAN- India Maritime Exercise , first held in 2023, signals collective security.
VINBAX	Vietnam	Army	Focused on UN Peacekeeping and engineering tasks.

CORPAT	Thai/Indo	Navy	Coordinated Patrols to secure the Malacca Strait against piracy.
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4. The 2026 Security Pillars

In the current geopolitical landscape, the cooperation has deepened into three specialized "non-traditional" security domains:

A. Maritime Security & The South China Sea (SCS)

India has moved from "neutrality" to "principled vocalization." India consistently calls for a Code of Conduct in the SCS that is consistent with UNCLOS (1982). By participating in the Quad (India, US, Japan, Australia), India provides ASEAN with a strategic alternative to Chinese dominance without requiring ASEAN to form a military alliance.

B. Cybersecurity & Intelligence Sharing

As of 2026, the ASEAN-India Cyber Policy Dialogue has become a permanent mechanism. It focuses on:

- Protecting underwater sea cables (critical for the region's internet).
- Combating transnational cyber-crime and online radicalization.

C. Counter-Terrorism

Both regions face threats from decentralized extremist networks. Cooperation through the ARF includes sharing "watch-lists" and best practices in deradicalization, moving beyond just military strikes to social security.

5. Strategic Analysis

"ASEAN Centrality" vs. The "Quad": A key debate in 2026 is whether India's involvement in the Quad undermines ASEAN. India's official stance—the Indo-Pacific Oceans Initiative (IPOI)—is designed to align with the ASEAN Outlook on the Indo-Pacific (AOIP). This ensures that India is seen not as a disruptor, but as a supporter of ASEAN's leadership in the region.

South China Sea (SCS):

The **South China Sea (SCS)** has evolved from a distant territorial dispute to a core strategic priority for India. As of May 2026, New Delhi has officially shed its "neutral observer" status, moving toward a role that diplomats now call a "Strategic Stakeholder" in the Western Pacific.

The current year, 2026, has been officially designated by PM Modi as the "ASEAN-India Year of Maritime Cooperation," signaling that the SCS is no longer a "peripheral" concern for Indian national security.

1. The Strategic Core: Why India is "Acting" in the SCS

While the 40% trade figure remains a bedrock of India's interest, the 2026 landscape has added new layers of urgency:

- **Counter-Encirclement:** India views Chinese assertiveness in the SCS as a mirror to China's "String of Pearls" in the Indian Ocean. By increasing its presence in the SCS, India creates a "Strategic Counter-Pressure" on Beijing's eastern flank.
- **The "Rule-Based Order":** India is the loudest voice in the Global South advocating for UNCLOS (1982). This isn't just about fish or oil; it's about preventing a "Might is Right" precedent that could eventually be applied to the Indian Ocean.
- **Energy Sovereignty:** Despite Chinese "Grey Zone" tactics (using maritime militia to harass rigs), India's ONGC Videsh (OVL) continues its exploration in Vietnam's offshore blocks. This is a deliberate exercise of "Economic Defiance" to assert Vietnam's sovereign rights.

3. 2026 Milestone: The BrahMos Diplomacy

4.



The most significant shift in the last two years is India's move from

"dialogue partner" to **"Security Provider."**

- **Philippines (2024-2026):** Following the successful delivery of the BrahMos supersonic cruise missiles to Manila, the Philippines now possesses a credible "shore-to-ship" deterrent against incursions in its Exclusive Economic Zone (EEZ).
- **Vietnam (May 2026 Update):** During the visit of Vietnamese President To Lam to New Delhi this week (May 2026), India officially offered the BrahMos missile system to Hanoi. This deal, potentially worth \$629 million, would revolutionize Vietnam's coastal defense and is seen as the ultimate "litmus test" of India's strategic resolve.

3. The "Quad" and ASEAN Centrality

Whether the Quad (India, US, Japan, Australia) undermines ASEAN. In 2026, India's approach is: "Quad as a Capability-BUILDER, ASEAN as the Driver."

- **Information Fusion:** Through the IPMDA (Indo-Pacific Partnership for Maritime Domain Awareness), the Quad provides real-time satellite data to ASEAN nations to track "dark shipping" and maritime militia movements.
- **Avoiding "Alliance" Labels:** India continues to resist the "Asian NATO" label. Its participation in the SCS is framed through the IPOI (Indo-Pacific Oceans Initiative), which focuses on non-military pillars like ecology and disaster relief to keep ASEAN nations comfortable.

4. Current Naval Posture (2025–2026)

The Indian Navy's "friendly port calls" have matured into Combat-Ready Interoperability:

- **AIME (ASEAN-India Maritime Exercise):** Now a flagship biennial event, the most recent iterations involve complex anti-submarine and electronic warfare drills, proving that India can operate seamlessly with diverse ASEAN navies.
- **Permanent Presence:** The Indian Navy now maintains a "Near-Continuous Presence" in the SCS through rotational deployments of stealth frigates (like the Nilgiri-class) and P-8I long-range maritime patrol aircraft operating out of the Andaman & Nicobar Islands.

Critical Analysis :

India's policy has moved from "Equidistance" (keeping both US and China at the same distance) to "Equiproximity" (working with like-minded partners to ensure no single power dominates).

Unit – 9

India and RCEP:

What is RCEP?

- RCEP stands for Regional Comprehensive Economic Partnership.
- It is a free trade agreement among Asia-Pacific nations.
- The 15 member countries include Australia, Brunei, Cambodia, China, Indonesia, Japan, South Korea, Laos, Malaysia, Myanmar, New Zealand, the Philippines, Singapore, Thailand, and Vietnam.

Size and significance of RCEP

- RCEP is the world's largest trading bloc.
- Its members account for approximately 30% of the global population (about 2.2 billion people).
- They also account for roughly 30% of world GDP (around \$29.7 trillion).

Origin and India's position

- The idea of RCEP was first proposed at the ASEAN Summit in Bali, Indonesia, in 2011.
- Formal negotiations were launched at the ASEAN Summit in Cambodia

in 2012.

- India participated in the initial negotiations but later decided to opt out of the agreement.
- However, the door remains open for India to join the bloc at any time.

Why India Stayed Out of RCEP

India participated actively in the RCEP negotiations and agreed to its guiding principles until November 2019. However, at the final stage, India decided to opt out. The reasons for this decision can be summarised as follows:

1. Fear of backdoor free trade with China

- Indian policymakers feared that RCEP could become a free trade agreement with China through the back door—via other member nations.
- This would open the Indian market to Chinese dumping of cheap manufactured goods.
- Domestic producers, especially in micro, small and medium enterprises (MSMEs), would be severely affected.

2. Existing trade deficit with China

- Even without any free trade agreement, India already runs a large and persistent trade deficit with China.
- An FTA would likely worsen this imbalance further, as Chinese goods would become cheaper and more competitive in the Indian market.

3. Projected unsustainable trade deficit

- Internal studies on the proposed FTA indicated that India would face an unfair and unsustainable trade deficit with the RCEP bloc as a whole.
- The gains from increased exports were not expected to match the rise in imports.

4. Rejection of India's three-tier tariff approach

- India proposed a three-tier tariff reduction framework for RCEP members:
 - One tariff rate for ASEAN countries.
 - A different rate for countries that already have an existing free trade agreement with India.
 - A third rate for countries with which India does not have an FTA (such as China and Australia).
- However, other RCEP members demanded deeper tariff cuts across more product lines, which India was not willing to concede.

5. China's disproportionate weight in the grouping

- India was concerned about China's overall economic weight within RCEP.
- Because of its large economy, China would enjoy disproportionate influence over the agreement's rules and future evolution.
- India feared that its own bargaining power within the bloc would be limited, and decisions would be made largely in China's interest.

6. Lack of safeguards for domestic industry

- RCEP did not provide adequate safeguard mechanisms—such as anti-dumping provisions or sudden surge clauses—to protect Indian agriculture and manufacturing.
- Unlike earlier FTAs signed by India, RCEP's safeguard measures were seen as weak and difficult to invoke.

India's decision to stay out of the Regional Comprehensive Economic Partnership (RCEP) remains a cornerstone of its current geoeconomic strategy. For your 2026/27 UPSC preparation, it is crucial to view this not as a "withdrawal from trade," but as a pivot toward "Strategic Bilateralism" and "Atmanirbharta" (Self-Reliance).

1. The RCEP Landscape in 2026

The RCEP officially entered into force on January 1, 2022. As of May 2026, the bloc has solidified into a "China-centric value chain."

- **The Scale:** It remains the world's largest FTA, covering 15 countries and ~30% of global GDP.
- **The Trend:** For member nations like Indonesia and Vietnam, RCEP has harmonized "Rules of Origin," making it easier to trade components across borders. However, for India, the fear of "Chinese Dumping" remains the primary deterrent.

3. India's Alternative Strategy: The "Bilateral Pivot"

Since opting out of RCEP in 2019, India has aggressively pursued a different path: Selective and High-Standard FTAs.

- **Bilateral Pacts:** India has recently signed or is upgrading FTAs with:
 - **UAE (CEPA)** and Australia (ECTA).
 - **UK and EU:** High-level negotiations are in the "final mile" as of May 2026.
 - **New Zealand:** Recent talks (April 2026) show a focus on a "high-standard" bilateral deal rather than a regional bloc.
- **The AITIGA Review (2026):** Instead of joining RCEP, India is currently focusing on the 12th Joint Committee meeting (March 2024–May 2026) to review the ASEAN-India Trade in Goods Agreement (AITIGA). India's goal is to make the existing ASEAN deal "more balanced" and address the trade deficit without the "China baggage" of RCEP.

Critical Analysis: "Is India Missing Out?"

- **The "Isolation" Argument:** By staying out, India may be excluded from the emerging integrated supply chains of the Asia-Pacific. Multinational corporations might prefer to set up factories *inside* the RCEP zone to benefit from tariff-free trade between the 15 members.
- **The "Strategic Autonomy" Argument:** India is the world's fastest-growing major economy in 2026. Its large domestic market gives it "Goeconomic Leverage." By choosing bilateral partners (like the US, Australia, and the UAE), India is picking "trusted partners" over a China-dominated bloc, aligning its trade

policy with its national security.

Conclusion: The 2026 Strategic Synthesis

The ASEAN-India partnership has matured from a trade-centric engagement into a **Comprehensive Strategic Partnership** that serves as the bedrock of a "Free, Open, and Inclusive Indo-Pacific." While the early years were defined by economic liberalization, the current era is defined by **Strategic Resilience**.

1. From Connectivity to "Corridors of Trust"

The \$1 billion line of credit has evolved. Beyond physical roads like the IMT Highway, the focus in 2026 is on **Digital Public Infrastructure (DPI)**. By exporting the "India Stack" (UPI, Aadhaar, DigiLocker) to ASEAN partners like Singapore, Thailand, and the Philippines, India is building a digital ecosystem that acts as an alternative to closed, state-controlled digital models.

2. Navigating the "Polycrisis"

In a world of fluctuating energy prices and supply chain disruptions, India and ASEAN are no longer just "partners" but **"Stabilizers."** The ongoing review of the **AITIGA (ASEAN-India Trade in Goods Agreement)**, expected to conclude later in 2026, aims to make trade more balanced and less dependent on single-source (Chinese) supply chains.

3. The "Security of the Commons"

As the South China Sea remains a flashpoint, the synergy between the **ASEAN Outlook on the Indo-Pacific (AOIP)** and India's **Indo-Pacific Oceans Initiative (IPOI)** has created a unified diplomatic front. This ensures that "ASEAN Centrality" is not just a slogan but a functional reality in the maritime domain.

Unit - 10

INDIA-BHUTAN RELATIONS:

STRATEGIC PARTNERSHIP IN A MULTIPOLAR ASIA

INDIA-BHUTAN RELATIONS: STRATEGIC PARTNERSHIP IN A MULTIPOLAR ASIA
Rooted in Trust • Built on Friendship • Driven by Shared Prosperity • Guided by Strategic Vision

1 INTRODUCTION

- India and Bhutan share a unique and time-tested bond of friendship, trust and mutual understanding.
- The relationship is anchored in mutual respect, sovereign equality and non-interference.
- India has been Bhutan's closest partner in its journey of development and nation building.

2 THE MULTIFACETED RELATIONSHIP

- (a) Treaty of Friendship & Cooperation (2007)
- (b) High-Level Exchanges
- (c) Trade and Economic Ties
- (d) Development Partnership
- (e) Hydropower Cooperation
- (f) Educational & Cultural Cooperation
- (g) COVID-19 Assistance
- (h) New Areas of Cooperation (2024-2026)

3 BHUTAN FROM THE SECURITY LENS

- Geostrategic Location: Buffer between India and the sensitive Sikkim Corridor (Chumbi's Neck).
- China Factor: China's increasing activities in Tibet and attempts to influence Bhutan are a strategic concern.
- India's Role: India respects Bhutan's sovereignty while supporting its security, prosperity and capacity building.
- Border Management: Close coordination on border management ensures peace and stability in the region.

Key Takeaway: A stable, secure and prosperous Bhutan is integral to India's national security.

4 THE GELEPHU MINDFULNESS CITY (GMC): A NEW PARADIGM
A visionary initiative by Bhutan. A strategic opportunity for India.

- Mindfulness & Well-being Hub
- Sustainable Smart City
- Economic Growth Engine
- Regional Connectivity Gateway

- ✓ Located in Gelephu, near the India-Bhutan border.
- ✓ A Special Administrative Region with progressive policies.
- ✓ Focus on green economy, technology, education, tourism and innovation.
- ✓ Will generate employment, attract investment and enhance regional integration.
- ✓ India's role: partner in infrastructure, connectivity, digital ecosystem and skill development.

GMC can become a model city of happiness, sustainability and cooperation in the Himalayas.

5 INDIA-BHUTAN-CHINA STRATEGIC TRIANGLE

- China seeks greater influence in Bhutan through economic inducements and infrastructure.
- Bhutan remains cautious and values its deep trust and proximity with India.
- India's approach is sensitive, respectful and focused on Bhutan's priorities.
- The triangle will remain a key dimension of regional geopolitics.

India's Focus: Empower Bhutan, respect its choices and ensure a peaceful, stable Himalayas.

CONCLUSION

6 SCHOLARLY OPINION

- C. Raja Mohan:** "India-Bhutan ties are one of the most successful partnerships in South Asia, built on trust, not transactions."
- Dr. Tenzin Lekshay (Bhutan Scholar):** "Bhutan-India friendship is not just political, it is rooted in spirituality, culture and shared civilizational values."
- S. Jaishankar (External Affairs Minister):** "India-Bhutan partnership is exemplary — based on mutual trust, understanding and a shared vision for the future."

Scholars Agree:

- Unique model of bilateral relations in the world.
- Foundation for regional peace and stability.
- A partnership for the 21st century and beyond.

"India-Bhutan relations stand as a beacon of trust, peace and cooperation in a turbulent world."

TWO NATIONS • ONE FRIENDSHIP • COUNTLESS POSSIBILITIES • TOGETHER TOWARDS A BETTER FUTURE

Introduction: The Geopolitics of Trust

Situated in the heart of the eastern Himalayas, Bhutan is a strategically vital landlocked nation covering approximately 38,394 square km. It serves as a critical "buffer" between the world's two most populous nations, sharing a 699 km border with the Indian states of Sikkim, West Bengal, Assam, and Arunachal Pradesh, and a contested northern border with China's Tibet region.

Historically, Bhutan maintained a policy of cautious isolation to preserve its unique socio-cultural identity. However, the transition from an absolute monarchy to a Constitutional Monarchy in 2008—pioneered by the Fourth King and institutionalized by the current monarch, King Jigme Khesar Namgyel Wangchuck—marked its emergence as a modern, democratic state.

Treaty of Friendship and Cooperation: From Guidance to Partnership:

The bedrock of India-Bhutan relations lies in a transition from "Protectorate-style" diplomacy to a "Sovereign Partnership."

1. The Historical Prelude (1910 & 1949):

- **Treaty of Punakha (1910):** Established the precedent where British India guaranteed non-interference in Bhutan's internal affairs while Bhutan agreed to be "guided" in its external relations.
- **The 1949 Treaty of Friendship:** Post-independence, India mirrored this arrangement. Article 2 of the 1949 Treaty famously stated that Bhutan would be "guided by the advice of the Government of India" in its foreign policy. While this ensured a security umbrella during the Cold War and the 1959 Tibet crisis, it

was increasingly viewed as a limitation on Bhutan's modern aspirations.

2. The 2007 Paradigm Shift: In February 2007, during the visit of King Jigme Khesar Namgyel Wangchuck, the treaty was fundamentally redefined to reflect Bhutan's emergence as a modern democracy.

- **Removal of "Guidance" (Article 2):** The most critical change was the replacement of the "guidance" clause with a provision for "Sovereign Equality." Both nations committed to cooperating closely on issues of national interest, but without India formally directing Bhutan's external affairs.
- **Arms Imports:** Bhutan no longer requires India's explicit permission for non-lethal arms imports, though security coordination remains intimate.
- **Security Interdependence:** While the "Protectorate" language was removed, the spirit of Article 2 was replaced by a commitment that "Neither government shall allow the use of its territory for activities harmful to the national security and interest of the other." This is the legal basis for cooperation against insurgencies and border incursions.

3. Significance for the 21st Century:

- **Sovereign Legitimacy:** The 2007 Treaty allowed Bhutan to join more international organizations and establish diplomatic ties with more countries, proving that India is a "Benevolent Power"

that respects the autonomy of its smaller neighbors.

- **Strategic Trust:** By voluntarily diluting its "veto power" over Thimphu, New Delhi gained deeper strategic trust. This trust was visible during the 2017 Doklam standoff, where the spirit of the treaty ensured that both nations stood together against unilateral changes to the status quo.
- **Institutional Foundation:** The treaty now serves as an "Enabling Framework" for modern sectors like Hydropower Joint Ventures (JVs), Digital FinTech (UPI), and Space Research, moving beyond mere border security.

The timeline of high-level exchanges between India and Bhutan is not just a list of visits, but a record of "Sustained Strategic Continuity."

1. Foundational Exchanges (2013–2022):

- **2013-2014:** PM Tshering Tobgay's visit (2013) and his presence at PM Modi's swearing-in (2014) established the "Neighborhood First" momentum. PM Modi's first overseas trip was to Bhutan (June 2014), where he famously coined the term "B2B: Bharat to Bhutan" and laid the foundation for the Kholongchhu Hydropower Project.
- **2018-2019:** PM Lotay Tshering chose India for his first foreign visit in December 2018 (Golden Jubilee year). In August 2019, PM Modi visited Bhutan for his second term, inaugurating the Mangdechhu Hydro Project and launching the RuPay card.
- **2022:** EAM Dr. S. Jaishankar's visit in April 2022 was the first high-level visit after the pandemic, focusing on "Vaccine Maitri" and recovery cooperation.

2. The 2024 Strategic Leap:

- **PM Tshering Tobgay** :His first visit in his second term reaffirmed India's commitment to Bhutan's 13th Five-Year Plan (Rs10,000 Crore assistance).
- **PM Modi's "Druk Gyalpo" Visit** : In a historic gesture, PM Modi was conferred with the Order of the Druk Gyalpo, Bhutan's highest civilian honor—the first foreign leader to receive it. This visit cemented India's support for the Gelephu Mindfulness City (GMC).

3. Recent Developments :

- **Joint Inauguration of Punatsangchhu-II** : PM Modi and King Jigme Khesar Namgyel Wangchuck jointly inaugurated the 1,020 MW Punatsangchhu-II project. This marked the commencement of surplus power export to India, significantly boosting Bhutan's revenue.
- **King's Spiritual & Strategic Visit** : His Majesty visited India to attend the Maha Kumbh Mela in Prayagraj, highlighting the deep civilizational and spiritual bonds that underpin the political relationship.
- **Ministerial Energy Protocol** : India's Minister for Power and Housing visited Thimphu to sign the Punatsangchhu-II Export Tariff protocol and witness the first concrete pour for the Punatsangchhu-I dam works, signaling the resumption of this long-delayed 1,200 MW project.

- **13th Five-Year Plan Coordination :** Regular monthly coordination meetings in Thimphu have seen the release of tranches totaling billions of rupees for Mega Farms, Himalayan irrigation channels, and the Royal University of Bhutan's infrastructure.

The trade and economic relationship between India and Bhutan has transitioned from a donor-recipient model to a robust, integrated economic partnership.

The "special relationship" is anchored in the Agreement on Trade, Commerce, and Transit, which facilitates a unique free-trade regime and provides Bhutan with vital access to global markets through Indian territory.

1. Trade Dynamics & 2025-26 Statistics

India remains Bhutan's indispensable trading partner, now accounting for nearly 80% of its total trade.

- **Trade Volume:** Bilateral trade exceeded USD 1.9 billion in FY 2024-25, a massive 46% increase from previous years.
- **Balance of Trade:** While the balance remains in India's favor, the deficit is narrowing as Bhutan's hydropower exports scale up.
- **Key Commodities:**
 - **India to Bhutan:** Refined petroleum (largest import), iron and steel, motor vehicles, and machinery.
 - **Bhutan to India:** Ferroalloys (top product), iron and steel, dolomite, and processed minerals.
- **Transit Facilitation:** The 7th Joint Group of Customs (JGC)

meeting in April 2026 finalized the Electronic Cargo Tracking System (ECTS) and a pre-arrival data exchange MoU to ensure "seamless" border movement.

2. Investment & Foreign Direct Investment (FDI)

India is the leading source of FDI in Bhutan, contributing over 55% of the total projects as of 2026.

- **Leading Sectors:** Banking, manufacturing, Agri-food processing, ITES, and pharmaceuticals.
- **Tata Power's Mega Investment:** In late 2025, Tata Power invested Nu. 68.9 billion (approx. USD 830 million) in the Khorlochhu Hydropower project—marking one of the largest single FDI inflows in Bhutan's history.
- **Corporate Presence:** Major Indian players like Ambuja Cements, Tata Motors, and SBI are deeply embedded in the Bhutanese economy.

3. The Hydropower Backbone: Clean Energy Trade

Hydropower is the "green gold" of the relationship, constituting 63% of Bhutan's export revenues.

- **Punatsangchhu-II (1,020 MW):** Fully commissioned in late 2025, it has added nearly 4,500 GWh of clean energy to the regional grid, significantly boosting Bhutan's GDP.
- **Dorjilung Project (1,125 MW):** A landmark USD 1.7 billion project launched in early 2026 with World Bank and Indian support. It marks a shift toward a Public-Private Partnership

(PPP) model rather than purely inter-governmental grants.

- **Export Tariff Protocol (April 2026):** A new ministerial protocol was signed to streamline the export of surplus power to India during peak summer months, ensuring price stability for both nations.

4. Emerging Economic Frontiers

- **FinTech Integration:** The full integration of UPI and RuPay across Bhutan has revolutionized "People-to-People" economic ties, making tourism and small-scale trade cashless.
- **The Gelephu Factor:** The Gelephu Mindfulness City (GMC) is being developed as a "Special Administrative Region" with Indian assistance in rail and road connectivity, aiming to become a regional gateway for South Asian trade.

Hydropower cooperation is the "Green Gold" of the India-Bhutan relationship, representing the most successful example of mutual interdependence in South Asia.

The sector is governed by the 2006 Bilateral Agreement and the 2009 Protocol, with a shared vision of achieving 10,000 MW of generating capacity. By 2026, this cooperation has reached a historic milestone with the commissioning of major projects.

1. Operational Projects (The Pillars of Energy Security)

Currently, over **3,100 MW** of capacity is operational and integrated into the Indian grid.

- **Chukha (336 MW):** The foundational project (commissioned in the 1980s) that started Bhutan's journey toward energy

surplus.

- **Kurichhu (60 MW) & Tala (1,020 MW):** Vital contributors to Bhutan's domestic supply and export revenue.
- **Mangdechhu (720 MW):** Commissioned in 2019 and awarded the prestigious Brunel Medal for engineering excellence. It was formally handed over to the Bhutanese government in December 2022.
- **Punatsangchhu-II (1,020 MW) — 2025/26 Milestone:** Following years of construction, this project was fully commissioned in late 2025. It has significantly boosted Bhutan's GDP, with the first export tranches to India commencing in early 2026 under a new tariff protocol.

2. Projects Under Implementation & Revision

- **Punatsangchhu-I (1,200 MW):** Despite geological challenges (landslides at the dam site), India and Bhutan agreed in April 2026 to a new technical roadmap to resume dam construction, ensuring the project remains viable.
- **Kholongchhu (600 MW):** Originally the first Joint Venture (JV) project, it is now being restructured to expedite completion, with a focus on sustainable financing.

3. The New Paradigm: JV and PPP Models (2025–2026)

The relationship is moving away from purely government-funded grants to commercial partnerships:

- **Khorlochhu Project:** In late 2025, a landmark agreement was signed between **Druk** Green Power Corporation (DGPC)

and Tata Power (India) to develop this project. This marks a shift toward private-sector participation in Bhutan's energy sector.

- **Dorjilung (1,125 MW):** Launched in early 2026, this is the first project to involve trilateral cooperation (India, Bhutan, and the World Bank), diversifying the funding sources while keeping India as the primary power purchaser.

4. Strategic & Economic Significance

- **Economic Backbone:** Hydropower exports account for nearly 25% of Bhutan's GDP and over 60% of its total export earnings.
- **India's Net-Zero Goals:** Bhutan's clean energy is vital for India's transition to a carbon-neutral economy.
- **Revenue Generation:** In 2025, revenue from electricity exports to India crossed the RS3,500 crore mark for the first time, providing Bhutan with the fiscal space needed for its 13th Five-Year Plan.

The educational and cultural partnership between India and Bhutan is the "soul" of the bilateral relationship:

By 2026, this cooperation has shifted toward a future-ready model, emphasizing STEM education, digital literacy, and the revitalization of shared Buddhist heritage.

Education and spiritual connection form the bedrock of the "People-to-People" (P2P) pillar, moving beyond simple scholarship grants to deep institutional integration.

1. Education: The Shift to STEM and Technology

While the traditional grant model continues, the focus has pivoted to high-tech and administrative excellence:

- **Scholarships (2025-26):** India continues to provide over 1,000 annual scholarships. A flagship addition is the India-Bhutan Friendship Scholarship at IIT Kanpur, which allows meritorious Bhutanese engineers to pursue M.Tech degrees in STEM fields without needing to clear the GATE exam (as of the 2025-26 intake).
- **STEM Teacher Support:** Since 2024, India has been actively addressing Bhutan's shortage of science and math educators. By July 2026, over 110 Indian STEM teachers will have been placed in Bhutanese government schools on two-year contracts to bridge critical gaps in Chemistry, Physics, and Biology.
- **ITEC Program:** Bhutan remains one of the largest beneficiaries of the Indian Technical and Economic Cooperation (ITEC) program. Currently, about 300 slots are utilized annually, with a new emphasis on e-ITEC for digital governance and administrative modernization.
- **Digital Integration:** The Druk Research and Education Network (DrukREN) is now fully integrated with India's National Knowledge Network (NKN) via a 5 Gbps high-speed link, allowing Bhutanese universities and hospitals real-time access to Indian research databases.

2. Cultural Diplomacy: The Buddhist Link

The civilizational bond is being leveraged through infrastructure and conservation:

- **The Buddhist Circuit (2026 Initiative):** Under the Union Budget 2026, India announced a specialized scheme to develop the Buddhist Circuit in the Northeast, specifically linking sites in Sikkim and Arunachal Pradesh with Bhutan. This creates a "spiritual corridor" for pilgrims traveling from Bhutan to Bodh Gaya, Rajgir, and Nalanda.
- **The Zhabdrung Statue:** The 2016 loan of the Zhabdrung Ngawang Namgyal statue (the founder of Bhutan) from the Asiatic Society, Kolkata, remains a high point of cultural trust. In early 2026, discussions were held regarding further institutional collaboration in manuscript conservation between the National Library of Bhutan and Indian archives.

3. New Frontiers: Space and Digital P2P

- **India-Bhutan SAT (2022-2026):** Beyond its technical use, this project is an educational milestone. Bhutanese engineers trained by ISRO now operate the Ground Earth Station in Thimphu. In March 2024, a Joint Plan of Action on Space Cooperation was signed, further increasing Bhutan's satellite transponder capacity for educational broadcasting.
- **Gelephu Mindfulness City (GMC):** This planned city is set to become a hub for cultural and educational exchange, with India

promising assistance in establishing educational satellite campuses and cross-border connectivity.

COVID-19 Assistance: The "Vaccine Maitri" Legacy

India's response to the pandemic in Bhutan is characterized by the philosophy of "Bhutan First," ensuring that the landlocked kingdom never felt isolated during the global lockdowns.

1. The First Responder Advantage

- **Medical Supplies:** India was the first to respond to Bhutan's needs, providing 13 tranches of essential medical supplies, including paracetamol, hydroxychloroquine, PPE kits, N95 masks, and X-ray machines.
- **Vaccine Maitri:** Bhutan was the very first country to receive Indian-manufactured vaccines. India gifted 5.5 lakh doses of Covishield in two phases, enabling Bhutan to become one of the first nations globally to complete its national vaccination drive for its entire adult population.

2. Continuity of Supply Chains

- **Trade Corridors:** Despite lockdowns in West Bengal and Assam, the Government of India designated "Essential Commodity Corridors." This ensured that food, fuel, and construction materials for hydropower projects reached Bhutan without interruption.
- **Air Travel Bubble:** India established one of its first "Air Travel Bubbles" with Bhutan to facilitate the movement of

students, patients, and essential officials.

3. Evolution into 2026: Post-Pandemic Health Security

The cooperation has now moved from "Crisis Management" to "Institutional Resilience":

- **The Mother and Child Hospital :** A major post-pandemic milestone was the inauguration of the 150-bed Gyaltsuen Tenzin Pema Wangchuck Mother and Child Hospital in Thimphu, built entirely with Indian assistance.
- **Digital Health Integration:** India is currently assisting Bhutan in implementing its Integrated Health Information System. This allows for the sharing of medical expertise via tele-consultations with premier Indian institutes like AIIMS and PGIMER Chandigarh.
- **Pharma Hub:** Under the 13th Five-Year Plan (2024-2029), India is supporting Bhutan in developing indigenous pharmaceutical manufacturing capabilities to reduce dependence on third-country imports.

Bhutan from security Lens

The India-Bhutan relationship is often described as the "Gold Standard" of neighborhood diplomacy. It is a strategic necessity for India's territorial integrity.

By 2026, the geopolitical landscape has shifted significantly. China's "salami-slicing" tactics and the "Three-Step Roadmap" for

border resolution have forced a recalibration of the strategic calculus in New Delhi's South Block.

Geostrategy: The "Chicken's Neck" & The Doklam Factor

Bhutan's location makes it a "buffer" that protects India's most vulnerable geographic point.

- **The Siliguri Corridor:** Often called the "Chicken's Neck," this narrow 22km stretch of land connects mainland India to its eight North-Eastern states.
- **The Chumbi Valley Wedge:** China's Chumbi Valley is a "dagger" aimed at this corridor. If China gains control of the Doklam Plateau (Western Bhutan), it gains a high-ground advantage over the Siliguri Corridor, potentially cutting off Northeast India in a conflict.
- **2026 Reality:** Despite ongoing boundary talks, satellite imagery as of early 2026 reveals that China has continued constructing "Xiaokang" (dual-use) villages and infrastructure within disputed territories in Northern and Western Bhutan. This demographic engineering aims to create a *fait accompli* before a final border treaty is signed.

Internal Security: "Operation All Clear" (2003)

Bhutan is the only neighbor that has proactively used its own military to protect Indian security interests.

- **The Threat:** In the late 1990s, insurgent groups like ULFA, NDFB, and KLO established 30 sophisticated camps in the dense

jungles of Southern Bhutan to launch attacks into Assam and West Bengal.

- **The Action:** In December 2003, under the direct leadership of the Fourth King, the Royal Bhutan Army (RBA) launched "Operation All Clear."
- **The Result:** Bhutanese forces dismantled the camps and handed over top insurgent leaders to India. This remains a cornerstone of bilateral trust, proving that Bhutan will not allow its soil to be used against India.

The China Factor: Economic & Diplomatic Encroachment

While India was once Bhutan's sole "manager" of foreign policy (under the 1949 Treaty), the **2007 Revised Friendship Treaty** gave Bhutan more autonomy. China is now leveraging this through **"Economic Diplomacy."**

1. **Diplomatic Overtures:** Beijing is aggressively pushing for the establishment of formal diplomatic ties and a "Border Settlement."
2. **The "Three-Step Roadmap":** In April 2026, the 16th Expert Group Meeting (EGM) between Bhutan and China was held to "maintain momentum." India monitors these talks closely, as any "land swap" involving Doklam would be a red line for Indian security.
3. **Soft Power:** From sponsoring cultural festivals to offering scholarships, China is attempting to create a pro-Beijing lobby within Bhutan's younger generation and business

elite.

The "B4B" Model: Moving Beyond the "Security Guard" Narrative

To maintain its influence, India is shifting from being Bhutan's "Security Provider" to its **"Growth Partner."**

- **Strategic Interdependence:** India realizes that a security-only focus can lead to "anti-India" sentiment. The "Bharat for Bhutan (B4B)" model focuses on shared prosperity.
- **The Gelephu Mindset City:** A flagship project in 2025-26 is the Gelephu Mindfulness City Special Administrative Region (SAR). India is supporting this vision through the **Kokrajhar-Gelephu rail link**, which will connect Bhutan's future economic hub directly to the Indian supply chain.

The India-Bhutan-China Strategic Triangle:

The **India-Bhutan-China Strategic Triangle** is the most sensitive theater in Himalayan geopolitics. As of 2026, the "Doklam Legacy" has evolved into a broader "Border Normalization" challenge. It has to integrate the

"Three-Step Roadmap" and the Sakteng dispute, which have redefined the triangle since 2020.

The "Strategic Triangle" is anchored by the Chumbi Valley, a Tibetan salient that wedges between Sikkim (India) and the Haa Valley (Bhutan). The apex of this triangle points directly at India's Siliguri Corridor, making the stability of Bhutan's western border a non-negotiable security interest for New Delhi.

1. The Geography of Dispute: Western & Central Sectors

China's claims are strategically calculated to improve its tactical position against India:

- **Western Sector (The Red Line):** Includes Doklam (89 sq km), Sinchulumpa, and Shakhatoe. Control over the Doklam plateau (specifically the Jampheri Ridge) would give the People's Liberation Army (PLA) a direct line of sight to the Siliguri Corridor.
- **Central Sector:** Consists of the Pasamlung and Jakarlung valleys (495 sq km). These areas are culturally significant to Bhutan but have seen recent Chinese "settlement" activities.

2. The New Front: The Sakteng Wildlife Sanctuary

In June 2020, China unexpectedly claimed the Sakteng Wildlife Sanctuary in Eastern Bhutan (Trashigang District).

- **Strategic Intent:** Sakteng borders the Tawang sector of India's Arunachal Pradesh. By claiming Sakteng, China is attempting to pressure Bhutan to "trade" its western claims (Doklam) for its eastern ones, while simultaneously challenging India's sovereignty over Arunachal.

3. The "Three-Step Roadmap" & Boundary Talks (2021-2026)

Since 2021, Bhutan and China have accelerated their border negotiations through a "Three-Step Roadmap":

1. Defining the border on the map.
 2. Field visits and technical surveys.
 3. Formal demarcation and establishment of diplomatic ties.
- **2025-26 Status:** The 15th and 16th Expert Group Meetings (EGMs) held in late 2025 and early 2026 indicate that a "Technical Demarcation" of the Northern and Central borders is nearing completion.
 - **India's Concern:** New Delhi is closely monitoring whether Bhutan will agree to a "Package Deal" (Swap). India's red line remains the Tri-junction at Batang La. Any shifting of this point southward toward Gipmochi would compromise the security of the Siliguri Corridor.

4. Infrastructure & "Xiaokang" Villages

China has moved from "patrolling" to "**settling**" disputed areas.

- **Demographic Engineering:** Satellite imagery in 2026 shows full-fledged Chinese villages (Xiaokang villages) in the Torosa River valley and the Pasamlung valley, complete with roads, CCP administrative buildings, and 5G towers.
- **Indian Counter-Measures:** India has responded by strengthening its own "Vibrant Villages Program" on the Sikkim-Arunachal-Bhutan borders and increasing infrastructure support for the Gelephu Mindfulness City to ensure Bhutan remains economically anchored to the south.

Scholarly Opinion: The Strategic Debate

In the "Himalayan Great Game," scholars emphasize that India must transition from a "Security Provider" to a "Sovereign Partner."

S.D. Muni: The Normalization Realist

- **Core Argument:** Normalization of Bhutan-China ties is inevitable. As Bhutan's democracy matures, its citizens will demand a more "standard" foreign policy.
- **Prescription:** India must avoid the "Big Brother" syndrome. If New Delhi tries to block Thimphu's diplomatic sovereign choices, it will only fuel anti-India sentiment (similar to the "Leftist" narrative in Nepal).
- Muni suggests India should focus on Red Lines (like Doklam) rather than Diplomatic Ties. As long as Bhutan safeguards India's strategic interests, the opening of a Chinese embassy in Thimphu should not be treated as a hostile act.

Harsh V. Pant: Avoiding the "2013 Trap"

- **Historical Context:** Reference to the 2013 withdrawal of cooking gas subsidies, which was perceived as Indian interference in Bhutan's elections.

- **Core Argument:** Coercive diplomacy is counter-productive. It provides China with a narrative to present itself as a "non-interfering" alternative.
- **Prescription:** India's influence should be "Invisible yet Indispensable." We should ensure Bhutan wants to stay with India, rather than feeling it has to stay with India.

Suhasini Haidar: The "Three-Pronged" Priority

Haidar focuses on the structural health of the relationship:

1. **Hydropower Resolution:** Address the "debt trap" narrative and tariff delays (e.g., the Punatsangchhu-I delays).
2. **Listening to Thimphu:** India must be mindful of Bhutan's economic aspirations—specifically their need for youth employment and digital modernization.
3. **Broadening the Economic Base:** Moving beyond "Hydro-only" to include FinTech, Space, and Integrated Supply Chains.

The Bhutanese Perspective: Continuity with Modernity

- **The "P5" Protocol:** Historically, Bhutan has not established formal diplomatic relations with any of the Permanent Five (P5) members of the UN Security Council (including the US and China) to maintain its neutrality.
- **The CBTE Concern:** The Prime Minister has voiced concerns regarding India's Cross Border Trade of Electricity (CBTE) guidelines, which Bhutan views as a bit restrictive. They seek a more flexible "regional power market" that includes Bangladesh.

Conclusion: Toward a Paradigm of Integrated Security

The India-Bhutan relationship stands at a historical crossroads, where Bhutan's geographic position makes it the "pivot" of the Eastern Himalayas. As China transitions from border patrolling to "Salami Slicing" through demographic engineering (Xiaokang villages), the strategic pressure on the Siliguri Corridor and Arunachal Pradesh has reached an all-time high.

However, the future of this bond lies in moving beyond the "Security Guard" narrative:

- **From Buffer to Bridge:** India must continue to view Bhutan not merely as a "buffer state" to be defended, but as a sovereign partner in regional connectivity. The Kokrajhar-Gelephu Rail Link and the Gelephu Mindfulness City (GMC) are the new anchors that will physically and economically tie Bhutan's future to India's Northeast.
- **Countering Economic Encroachment:** To mitigate China's "Economic Diplomacy," India's approach must remain unconditional and infrastructure-heavy. By focusing on STEM education, Space cooperation, and FinTech integration (UPI/RuPay), India is addressing the aspirations of Bhutan's youth—the demographic most susceptible to external soft power.
- **Sovereign Trust:** The strength of the triangular relationship depends on India's ability to respect Bhutan's desire for "Standard Diplomacy" with the world, while maintaining a "Red Line" at the western tri-junction.

Unit - 11

INDIA-NEPAL RELATIONS: THE HIMALAYAN PIVOT

The Inseparable Neighbors



INDIA-NEPAL RELATIONS: THE HIMALAYAN PIVOT

Open Borders, Shared Civilizational Values, Common Future



1 INTRODUCTION: THE "ROTI-BETI" RELATIONSHIP

India and Nepal share one of the world's most unique relationships.

Open border, centuries-old civilizational ties, shared language, culture, faith and traditions.

"Roti" (food) and "Beti" (daughter) reflect deep social and familial bonds.

Nepal is not just a neighbor, but a trusted partner in peace, prosperity and regional stability.

Together, we share a vision for a secure, prosperous and connected Himalaya.

"Our relations are not just of government to government, but of people to people and heart to heart."

2 BRIEF HISTORY OF NEPAL

- 1768 Unification of Nepal by King Prithvi Narayan Shah, creating the foundation of modern Nepal.
- 1816 Treaty of Sugauli after the Anglo-Gorkha War; Nepal retained its independence.
- 1950 Treaty of Peace and Friendship with India – a cornerstone of bilateral ties.
- 1990 People's Movement (Jana Andolan) restored democracy and constitutional monarchy.
- 2006 Second People's Movement ended monarchy and paved the way for republication Nepal.
- 2008 Nepal becomes a Federal Democratic Republic.

3 INDO-NEPAL TREATY OF PEACE AND FRIENDSHIP (1950)

Signed on 31 July 1950.

- Ensures everlasting peace and friendship between the two nations.
- Provides for open border, free movement, residence and trade.
- Commitment to mutual security and respect for sovereignty.
- Forms the legal and political foundation of India-Nepal relations.

"A living treaty that has stood the test of time and continues to benefit both nations."

4 AREAS OF COOPERATION

- Trade & Economy**
India is Nepal's largest trading partner and export destination.
- Connectivity**
Roads, railways, inland waterways, cross-border transmission lines.
- People-to-People Ties**
Open border, cultural exchanges, tourism, religious linkages.
- Agriculture & Food Security**
Subsistence and food processing.
- Hydropower Cooperation**
Joint projects like Arun-III, Upper Karnali, Pancheshwar.
- Development Partnership**
Assistance in education, health, infrastructure, capacity building.
- Security Cooperation**
Collaboration on border management, disaster response and counter-terrorism.
- Emerging Areas**
Digital connectivity, fintech, skill development, climate action, start-ups.

5 MAJOR CHALLENGES

- Political Instability in Nepal**
Frequent changes in government affect policy continuity.
- Perception of Interference**
Some political groups view India's role with suspicion.
- Economic Competition from China**
China's growing presence through BRI projects.
- Trade & Transit Issues**
Nepal's demand for diversified access to sea and transit routes.
- Border Management**
Need for coordinated approach to check smuggling and illicit activities.

"Challenges exist, but dialogue, trust and sensitivity can turn them into opportunities."

6 VIEWS OF SCHOLARS

C. Raja Mohan
India and Nepal share a relationship that is asymmetric in capability but symmetrical in civilizational comfort. India must handle this relationship with sensitivity, respect and patience.

Mahesh Raj Pandey
Nepal values its relationship with India, but seeks equality, respect for sovereignty and non-interference in its internal affairs.

Nisha Taneja
The future of India-Nepal relations lies in deepening economic interdependence and people-centric connectivity while respecting Nepal's aspirations.

"The way forward is partnership, not paternalism; collaboration, not competition."

THE WAY AHEAD



Strengthen trust and mutual understanding



Promote inclusive growth and shared prosperity



Deepen connectivity and regional integration



Respect sovereignty, values and each other's sensitivities

**STRONGER TOGETHER,
PROSPEROUS TOGETHER,
SECURE TOGETHER.**

Nepal stands as a unique and indispensable partner for India, bound by a complex web of geographical, civilizational, economic, and geostrategic ties. This relationship is anchored not just in formal diplomacy, but in extensive, daily people-to-people interactions that define the shared life of the sub-continent.

Geographical Integration

Nepal is a land-locked Himalayan nation, historically and physically integrated with the Indian landmass. It is surrounded by India on three sides—East, West, and South—sharing a porous 1,850 km border with five Indian states: Uttarakhand, Uttar Pradesh, Bihar, West Bengal, and Sikkim. To its North lies the high-altitude boundary with China. This geography makes Nepal the "upper riparian" state, from which a vast network of rivers flows southward into the Indian plains, linking the two nations in a shared ecological destiny.

Civilizational & Cultural Tapestry

The cultural intertwining of the two nations dates back nearly two millennia:

- **Historical Migration:** The migration of the Lichhavis from India to Nepal around 300 AD marked an early phase of shared governance and social structure. Later, in the 16th century, the Gorkha lineage was established by Driya Shah, a Sisodia Rajput from Rajasthan, further cementing genealogical links.
- **Religious Heritage:** Like India, Nepal has a Hindu-majority

population. The sacred geography of the two nations is linked by the legend of the Ramayana, specifically the marriage of Lord Ram of Ayodhya to Princess Sita of Janakpur (located in modern-day Nepal).

- **Secular Transition:** For centuries, Nepal held the distinction of being the world's only Hindu State, a status that shifted in 2008 when it transitioned into a secular republic.
- **The Buddhist Link:** The spiritual legacy of Buddhism provides another deep-rooted connection; Gautama Buddha was born in Lumbini (Nepal) but attained enlightenment in India, creating a permanent pilgrimage corridor between the two.

The Strategic Mandate

The essence of this interdependence is perhaps best summarized by former Foreign Secretary **Jagat S. Mehta**, who noted that the overarching presence of the Himalayas, the shared patterns of the monsoon, and the southward flow of rivers provide the subcontinent with an inherent civilizational unity. His words serve as a reminder of our mutual reliance: “We can prosper or self-destruct together.”

A Brief History of Nepal: From Monarchy to Republic

A. The Gorkha Expansion and the British Era

- **The Rise of the Gorkhas:** In the mid-18th century, following the decline of Mughal influence, the Gorkhas established a powerful state. They expanded aggressively into regions of present-day India, including **Sikkim, the Terai (Awadh), Kumaon, and**

Garhwal.

- **Treaty of Sugauli (1816):** The Anglo-Nepal War ended in a Gorkha defeat. Under this treaty, Nepal surrendered its conquered territories in India and accepted a British Resident in Kathmandu. While Nepal remained independent, its foreign policy was largely influenced by the British.
- **1923 Treaty:** Britain and Nepal upgraded their relationship with a Treaty of Perpetual Peace and Friendship, recognizing Nepal's formal sovereignty and elevating the British Resident to an envoy.

B. The Democratic Stirrings (1950–1960s)

- **The Rana-Monarchy Tussle:** By 1950, real power lay with the **Rana Prime Ministers**, while **King Tribhuvan** was a figurehead under their control.
- **1951 Revolution:** An anti-Rana movement (supported by India) ousted the Ranas. In 1955, the Nepali Congress established a government and drafted a constitution.
- **The China Card:** India initially viewed Nepal's expanding diplomatic footprint with caution. After **King Mahendra** assumed power in 1962, he abolished the constitution and began a policy of "equidistance," playing the "**China Card**" against India to assert autonomy, especially after India's 1962 conflict with China.

C. The "Zone of Peace" and Modern Transition

- **Zone of Peace (1970s):** Nepal attempted to declare itself a "Zone of Peace" to neutralize Indian security influence. India rejected this, arguing that the 1950 Treaty already covered regional

security.

- **The Road to Republic:** Following decades of struggle and the **Jan Andolan II**, the monarchy was finally abolished in **2008**. Nepal became a Federal Parliamentary Republic.
- **2015 Constitution:** Nepal adopted its current secular constitution, though it remains a point of domestic and bilateral contention regarding Madhesi representation.
- **2022-2026 Political Landscape:** Following the 2022 elections, Pushpa Kamal Dahal (Prachanda) took office. By **May 2026**, Nepal's politics remains a delicate balance between traditional parties and the rising "Independent" wave led by figures like Balen Shah.

3 Indo-Nepal Treaty of Peace and Friendship (1950)

Signed against the backdrop of the **Chinese occupation of Tibet**, this treaty remains the "Magna Carta" of bilateral relations.

A. The Context: China's "Five Fingers" Policy

The treaty was a strategic response to Mao Zedong's expansionist vision. Mao described **Tibet as the right palm** of China, with **Ladakh, Nepal, Bhutan, Sikkim, and Arunachal Pradesh** being its "five fingers" that needed to be "liberated."

B. Key Provisions and "National Treatment"

- **Open Border:** Allows for the unique free movement of citizens without passports or visas.
- **National Treatment:** Grants Nepalese citizens in India (and vice versa) equal rights regarding residence, property

ownership, trade, and employment.

- **Security Cooperation:** Includes provisions for cooperation on security matters and the recruitment of Nepalese **Gorkhas** into the Indian Army—a tradition continuing since the British era.
- **Demographic Link:** As of 2026, approximately **8 million Nepalese** live and work in India, serving as a vital economic and cultural bridge.

3 Critical Evaluation of the 1950 Treaty

The 1950 Treaty of Peace and Friendship is often criticized by Nepalese political factions (particularly Leftist and Nationalist groups) as an "unequal" document that infringes upon Nepal's sovereignty. These criticisms are categorized into three primary domains:

A. Procedural & Symbolic Legitimacy

- **The Rana-centric Context:** Critics argue the treaty lacks democratic legitimacy because it was signed by the **Rana autocracy** during its terminal phase to secure its own survival, rather than by the popular **King Tribhuvan** or a representative government.
- **Diplomatic Asymmetry:** A significant symbolic grievance is that the treaty was signed by the **Indian Ambassador** and the **Nepalese Prime Minister**. This breach of diplomatic protocol (where officials of equal rank usually sign) is often cited as the foundational moment of the "Big Brother" narrative.

B. Strategic & Security Concerns

- **Defense Autonomy (Article 5):** The treaty's requirement for Nepal to consult India on arms imports from third countries is viewed as a colonial-era restriction. Nepal seeks to move away from this "**Security Umbrella**" to pursue a policy of "**Strategic Equidistance**" between India and China.
- **The Protectorate Perception:** The "secret" side letters accompanying the treaty create a perception of Nepal being an Indian protectorate, which clashes with the modern Nepalese identity of being a fully autonomous Himalayan state.

C. Economic & Demographic Challenges

- **The "Unequal Competitive" Landscape:** While "National Treatment" is granted to citizens of both nations, critics argue that Nepal's smaller economy cannot compete on a level playing field with Indian giants under a completely open-border regime.
- **Border Management:** Nationalists often blame the open border for "**demographic inundation**" and security vulnerabilities, leading to periodic demands for a regulated or "fenced" border to preserve national identity.

4. Areas of Cooperation: Moving Toward Integrated Prosperity

India and Nepal's partnership has evolved into a sophisticated ecosystem of economic and strategic interdependence.

A. Trade & Transit: The Economic Lifeline

- **Trade Dominance:** India remains Nepal's largest trading partner. By the 2025-26 cycle, bilateral trade has crossed **USD 10 billion**, with Indian FDI accounting for over **30%** of Nepal's total approved foreign investment.
- **Transit Liberalization:** The **2023 Revised Treaty of Transit** is a landmark. It ended Nepal's dependence on just Kolkata/Haldia by granting access to **Paradip and Visakhapatnam ports**. It also allows Nepal to utilize India's **Inland Waterways** (NW-1 via the Ganga), significantly lowering the "landlocked cost" of Nepalese exports.

B. Connectivity & Development Partnership

- **The "Terai" Roads & Rails:** India has upgraded over **10 critical roads** in the Terai region. The **Jaynagar-Kurtha** cross-border rail link is now operational, with the **Raxaul-Kathmandu** broad-gauge line (funded by India) currently in the final surveying/construction phase in 2026.
- **Energy Connectivity:** The **Motihari-Amlekhgunj Pipeline**—South Asia's first cross-border petroleum pipeline—is being extended to **Chitwan**. A second pipeline from **Siliguri to Jhapa** is

also under construction to secure Nepal's energy needs.

- **Hydropower (The Game Changer):** India and Nepal signed a pact in 2024 to export **10,000 MW of power** to India over the next 10 years. By May 2026, Nepal has successfully started exporting surplus electricity to **Bangladesh** via the Indian grid, marking a new era of sub-regional energy cooperation.

C. Cultural & Digital Ties (Soft Power)

- **Sister Cities:** The twinning of **Janakpur-Ayodhya**, **Kathmandu-Varanasi**, and **Lumbini-Bodhgaya** facilitates religious tourism.
- **Buddhist Diplomacy:** The India International Centre for Buddhist Culture and Heritage in **Lumbini** (inaugurated in 2022-24) acts as a counter-balance to external cultural influences in the region.
- **Digital Integration (2026 Update):** The full interoperability of **UPI (Unified Payments Interface)** in Nepal has revolutionized P2P remittances and tourism, allowing Nepalese and Indian citizens to make instant digital payments across the border.

D. Defence & Security Cooperation

- **Military Synergy:** The annual **Exercise Surya Kiran** remains the flagship joint training program.
- **The Gorkha Bond:** The Indian Army continues to recruit from Nepal's hilly districts, maintaining a unique martial bond.

- **Honorary Ranks:** The reciprocal tradition of conferring the rank of **Honorary General** on each other's Army Chiefs symbolizes the deep institutional trust between the two militaries.

E. Multilateral & Humanitarian Engagement

- **Regional Forums:** Both nations are key players in **BIMSTEC** and the **BBIN (Bangladesh, Bhutan, India, Nepal) Motor Vehicles Agreement**, which aims to create a seamless seamless transport corridor.
- **First Responder:** India's "Operation Maitri" (2015 Earthquake) and the swift response to the **November 2023 Jajarkot earthquake** underscore India's role as the primary humanitarian partner. By 2026, India has completed the reconstruction of over **50,000 houses** and several schools/hospitals in earthquake-hit zones.

5. Major Challenges: Navigating Friction in the Himalayas

The "Stress Points" in the India-Nepal relationship, a struggle between Nepal's burgeoning nationalist identity and India's security red-lines.

A. The Madhesi Issue & The 2015 Blockade

The Madhesi community, inhabiting the **Terai (plains)** region, shares deep "Roti-Beti" (cultural and matrimonial) links with India.

- **The Constitutional Grievance:** In 2015, Madhesi argued that the new Constitution's provincial boundaries were designed to "gerrymander" them into a minority, denying them proportional representation.
- **The Blockade (2015-16):** Resentment led to a 5-month blockade of the open border. Because the Terai is Nepal's economic lifeline, the resulting shortage of fuel and medicines created a humanitarian crisis.
- **The "India Factor":** The perception that India tacitly supported the Madhesi blockade fueled a massive wave of **anti-India sentiment** in Kathmandu, which China successfully exploited to position itself as a "non-interfering" alternative.

B. The Border Dispute: Kalapani, Lipulekh, and Limpiyadhura

The boundary dispute is rooted in differing interpretations of the **Treaty of Sugauli (1816)** regarding the origin of the **Kali River**.

- **The 2019-20 Trigger:** Following India's reorganization of J&K and the inauguration of the **80km road to Lipulekh** (for Mansarovar Yatra), the Oli government issued a "New Map" incorporating 372 sq km of disputed territory into Nepal.
- **Constitutional Red-Line:** In June 2020, Nepal's Parliament unanimously amended the Constitution to include this map in the national emblem, making the dispute legally "set in stone" for any future Nepalese government.
- **Strategic Value:** India views the **Kalapani heights** as indispensable for monitoring Chinese movements in the **Tibet Autonomous Region (TAR)**. India maintains that the river's

source lies to the east of the disputed area, keeping the territory under Indian administration.

C. Internal Politics: The Domestic Hurdle

The internal dynamics of Nepal act as a "filter" through which all bilateral cooperation must pass.

- **Political Scapegoating:** As noted by Ambassador **V.P. Haran**, India is often a "convenient scapegoat." Anti-India sentiment is frequently "flamed" to consolidate domestic voter bases or to distract from governance failures.
- **The Hydropower Paradox:** Despite a potential of **83,000 MW**, political instability and "vested interests" have historically stalled projects. However, by **2026**, the narrative is shifting. Nepal has realized that selling power to India's massive green-energy market is its only path to escaping a "Debt Trap."
- **Flood Management:** The lack of large-scale dams on upper river reaches remains a critical issue. Without joint management, the "sorrow of Bihar" (Kosi floods) continues to cause annual devastation.

D. The Nepal-China Nexus: Strategic Encroachment

China's presence in Nepal has evolved from purely economic to deeply political.

- **Economic Inroads:** China is now a leading source of Foreign Direct Investment (FDI) in Nepal, specifically in the cement,

telecommunications, and hospitality sectors.

- **Connectivity (BRI):** Under the Trans-Himalayan Multi-Dimensional Connectivity **Network**, Beijing aims to "land-link" Nepal to Tibet. While the difficult terrain makes rail connectivity slow, the development of strategic roads brings Chinese influence right to India's "soft underbelly."
- **The SAARC Factor:** Nepal's support for China's inclusion in SAARC is viewed by New Delhi as an attempt to dilute India's traditional regional leadership.

6. Scholarly Perspectives: Strategic Prescriptions

The academic discourse on India-Nepal relations highlights a shift from "interference" to "institutionalized cooperation."

A.V.P. Haran: Institutionalization over Ad-hocism

- **The Philosophy:** A prosperous and stable neighbor is a strategic asset for India.
- **The Key:** "Active Institutionalization." Haran argues that regular, high-level summits—even if brief—are necessary to clear diplomatic "fog" and ensure that bureaucratic delays do not stall critical projects.
- **2026 Note:** This is visible in the recent trend of annual PM-level visits and the operationalization of the Joint Commission at the Foreign Minister level.

B. Prof. S.D. Muni: Overcoming "Strategic Paranoia"

- **The Critique:** Muni argues that India's Nepal policy has often been reactionary, driven by an "**inherent sense of insecurity**" regarding China.
- **The Risk:** Undue delays in Indian projects (like the Pancheshwar Dam) create a vacuum that China is eager to fill.
- **The Solution:** India must leverage its unique "**Geography and People-to-People (P2P)**" advantage by delivering on promises faster than Beijing.

C. Shyam Saran: The G2G vs. P2P Paradox

- **The Paradox:** While the people of both nations are deeply integrated (P2P), the governments (G2G) often remain at odds.
- **The Bold Proposal:** Saran suggests India should be open to renegotiating any treaty (including the 1950 Treaty) that Nepal finds restrictive. He believes that given India's size and economic depth, "**India has not much to lose**" by offering Nepal more sovereign breathing room.

D.C. Raja Mohan: "Nepal First" & Reciprocal Realism

- **The Strategy:** India must adopt a "**Nepal First**" approach, treating Kathmandu as a sovereign priority rather than a secondary concern.
- **The Warning:** Geography is an advantage, but it cannot be taken for granted. India must refrain from the "**Micro-management**" of Nepal's internal politics, which historically fuels anti-India "Nationalist" rhetoric.

E. Harsh V. Pant: Addressing Structural Asymmetry

- **The Neglect:** Pant argues that since the 1990s, India's "Great Power" ambitions (focusing on the USA and EU) led to a **neglect of its own neighborhood**.
- **The Failure:** This inward-looking policy, combined with **structural asymmetry** (the giant vs. small state dynamic) and slow implementation, allowed China to consolidate its hold in South Asia.
- **The Prescription:** India must re-center its foreign policy on South Asia to ensure its own regional hegemony remains unchallenged.

Ambassador Achal Kumar Malhotra: The Trust Deficit

This is fueled by:

- **Delayed Implementation:** India's history of "announcing much but delivering slow" (the "Big Brother" lag).
- **Small State Syndrome:** A psychological state where Nepal feels overwhelmed by India's geographic, economic, and military size.

Conclusion: The Himalayan Bridge to the Future

As former Prime Minister **Shri Manmohan Singh** profoundly noted,

“The real test of foreign policy is in the handling of neighbours.” In the 21st-century geopolitical landscape, this sentiment has evolved into India's "**Neighborhood First**" and "**SAGAR**" (Security and Growth for All in the Region) policies.

Unit - 12

INDIA–PAKISTAN RELATIONS

INTRODUCTION:

The India-Pakistan relationship is often described as an "Enduring Rivalry" (Stephen P. Cohen)—a complex tapestry of shared civilizational roots and divergent political destinies. Born simultaneously in 1947, the two nations have traveled antithetical paths, leading to a state of permanent cold peace punctuated by high-intensity crises.

INDIA–PAKISTAN RELATIONS

AN ENDURING RIVALRY, DIVERGENT DESTINIES

"Born together in 1947, walking different paths since."

1. INTRODUCTION: THE "ENDURING RIVALRY"

The India-Pakistan relationship is often described as an "Enduring Rivalry" (Stephen P. Cohen)—a complex tapestry of shared civilizational roots and divergent political destinies.

- Born simultaneously in 1947.
- A state of permanent cold peace punctuated by high-intensity crises.

2. THE SHARED PAST vs. DIVERGENT FUTURES: A CIVILIZATIONAL CONTEXT

THE SHARED TAPESTRY

Both nations share a 5,000-year-old civilizational spine.

- Indus Valley Civilization
- Syncretic Ganga-Jamuni Tehzeeb
- Linguistic, culinary, and cultural rhythms remain inextricably linked

Shared heritage, shared memories, shared roots.

THE IDEOLOGICAL SCHISM

The 1947 Partition was not merely a territorial division but a conceptual one.



INDIA

Chose the path of a Secular, Pluralistic Democracy.

A "Civilizational State" that embraces diversity.



PAKISTAN

Founded on the Two-Nation Theory.

Evolved into a Theocratic State that seeks a distinct identity by repudiating its pre-Islamic Indic roots.

DIVERGENT TRAJECTORIES

Two nations, two paths.



INDIA

Solidified its identity as a stable, rule-based global power.

Vibrant democracy, strong institutions, economic rise.



PAKISTAN

Struggled with the tension between civilian leadership and the military-intelligence complex (the "Deep State").

3. THE FUNDAMENTAL ASYMMETRY: GLOBAL POWER vs. INTERNAL FRAGILITY (2026)

INDIA: AN ASPIRANT GLOBAL POWER

- 4th Largest Economy in the world. A growth engine with global impact.
- Leader in Digital Public Infrastructure: UPI, Aadhaar, and India Stack are global models of innovation.
- Pivotal Player in the Indo-Pacific: Active leadership in QUAD, IPEF, and global supply chain realignment.
- Policy of "De-hyphenation": India's global standing is no longer viewed through the narrow prism of the Pakistan conflict.



THE GAP IS NOT JUST ECONOMIC, BUT STRUCTURAL AND STRATEGIC.

PAKISTAN: INTERNAL FRAGILITY

- Poly-Crisis Economy: Chronic instability, high inflation, debt, and reliance on external bailouts.
- Military-Intelligence Dominance: The "Deep State" drives key decisions, overshadowing civilian governance.
- Praetorian State Syndrome: Security concerns override developmental goals and institutional reform.
- Global Standing: Increasing isolation, FATF grey-listing, and dwindling investor confidence.

AT A GLANCE: TWO NEIGHBORS, TWO REALITIES (2026)			
DIMENSION	INDIA	VS	PAKISTAN
Political System	Vibrant Democracy, Rule of Law		Military-Influenced, Civilian Fragility
Economic Scale	4th Largest Economy (~\$4 Trillion+)		Struggling Economy (~\$400 Billion)
Global Role	Global Power Aspirant, Norm Shaper		Aid Dependent, Periphery Player
Strategic Outlook	Integration with the World (Indo-Pacific)		Security Paranoia, India-Centric
Societal Energy	Demographic Dividend, Innovation		Brain Drain, Radicalization Risks

THE BOTTOM LINE
 India and Pakistan are decoupling strategically. India looks outward with confidence. Pakistan looks inward with suspicion.
PEACE REQUIRES PARITY OF PERCEPTION AND PURPOSE.


 — Towards Peace, Through Strength and Stability

"The subcontinent is big enough for two nations, but the future belongs to the one that builds, not the one that breaks."

The Shared Past vs. Divergent Futures: A Civilizational Context

- The Shared Tapestry:** Both nations share a 5,000-year-old civilizational spine, from the Indus Valley Civilization to the syncretic Ganga-Jamuni Tehzeeb. The linguistic, culinary, and cultural rhythms of the subcontinent remain inextricably linked.
- The Ideological Schism:** The 1947 Partition was not merely a territorial division but a conceptual one.
 - India chose the path of a Secular, Pluralistic Democracy, viewing itself as a "Civilizational State" that embraces diversity.

- Pakistan was founded on the Two-Nation Theory, evolving into a Theocratic State that seeks a distinct identity by repudiating its pre-Islamic Indic roots.
- **Divergent Trajectories:** While India has solidified its identity as a stable, rule-based global power, Pakistan has frequently struggled with the tension between its civilian leadership and its military-intelligence complex (the "Deep State").

The Fundamental Asymmetry: Global Power vs. Internal Fragility

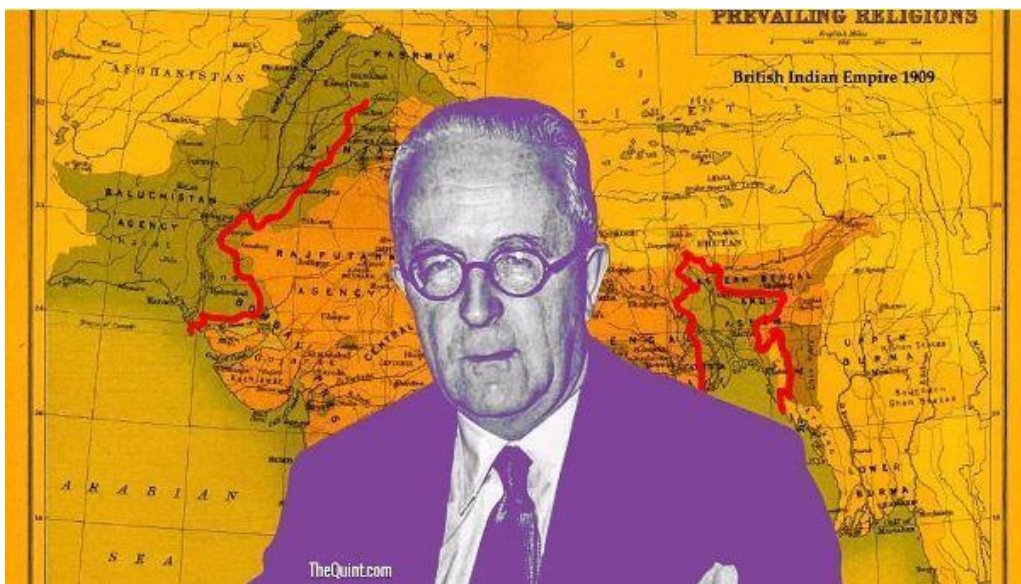
In 2026, the gap between the two neighbors has reached a point of Strategic Decoupling:

- **India as an Aspirant Global Power:** India is currently the world's 4th largest economy, a leader in Digital Public Infrastructure (UPI/Aadhaar), and a pivotal player in the Indo-Pacific through the QUAD. New Delhi's policy has shifted toward "De-hyphenation," where its global standing is no longer viewed through the narrow prism of the Pakistan conflict.
- **Pakistan's Internal Fragility:** Conversely, Pakistan faces a poly-crisis: chronic economic instability, high inflation, and reliance on external bailouts. The systemic dominance of the military over civilian institutions has led to what scholars call a "Praetorian State," where security concerns consistently override developmental goals.

History of India-Pakistan Relations

On 20 February 1947, British Prime Minister Clement Attlee announced Britain's intention to leave the Indian subcontinent.

On 15 August 1947, the Indian Independence Act was implemented, creating two independent nations—India and Pakistan. The territories of present-day Pakistan and Bangladesh together formed Pakistan, while the fate of Kashmir, Junagarh, and Hyderabad remained undecided as of 15 August 1947. The Radcliffe Line, as shown in the image, separated erstwhile India from Pakistan.



A. 1947-2000

Relations between India and Pakistan started with conflict. The 1947 partition of British India created a Muslim-majority Pakistan and a secular, Hindu-majority India. The Indian Independence Act allowed each region of Jammu and Kashmir to decide which country to join.

The Maharaja (king) of Kashmir initially wanted independence because the region had been ignored by earlier rulers. However, he

finally agreed to join India in exchange for help against armed raiders coming from Pakistan.

After this, India took over the defence of the region and began the 1947–1948 Indo-Pakistani War. The Karachi Agreement of 1949 called for a referendum in Kashmir, but it never took place. Instead, the agreement created a ceasefire line monitored by UN military observers.

Tensions continued, and a border clash turned into a full war in 1965. In 1971, the two countries again fought a short war over East Pakistan, with Indian forces helping the region become independent. This was followed by the 1972 Shimla Agreement. The Shimla Agreement established the Line of Control (LOC), a temporary military line that divided Kashmir into two administrative parts. Through this, India and Pakistan hoped to begin a new phase of bilateral relations. But as both nations developed nuclear weapons in the following decades, conflict took on a new dimension and the risks of any clash increased.



In 1989, tensions rose again due to a growing armed resistance movement in Indian-administered Kashmir, which was supported by Pakistan, leading to years of communal violence. The Kargil War began in 1999 when Pakistani soldiers crossed the Line of Control, even though the Lahore Declaration had been signed earlier. Although a fragile ceasefire has been in place between the two nations since 2003, they continue to exchange gunfire across the disputed border almost daily. Both sides claim they are firing in retaliation for attacks and accuse each other of violating the ceasefire. A rise in border clashes that began in late 2016 and continued until

2018 caused many deaths and displaced thousands of residents on both sides of the Line of Control.

In 2014, there were hopes that Prime Minister Modi's government would pursue serious peace talks with Pakistan after he invited Pakistan's Prime Minister Nawaz Sharif to his swearing-in ceremony. However, this hope faded quickly when India called off talks with Pakistan's foreign minister in August of the same year. This followed a meeting between the Pakistani High Commissioner in India and leaders of the Kashmiri separatist movement.

The year 2015 saw several positive developments, including an informal meeting in December on the sidelines of the UN Climate Change Conference in Paris. A few days later, national security advisors met in Bangkok to discuss the Kashmir dispute as a result of this meeting. Later in December, Prime Minister Modi made an unexpected visit to Lahore to meet with Prime Minister Sharif—the first visit by an Indian leader to Pakistan in over a decade. This showed the new government's willingness to take "big political risks" to improve India-Pakistan relations.

This period represents a tectonic shift in India's Pakistan policy—moving from a posture of "Strategic Restraint" to one of "Proactive Deterrence" and "Diplomatic Isolation."

B. 6–2024: The Era of Proactive Deterrence and Strategic Hardening

The promise of early diplomatic overtures was permanently shattered by back-to-back terror provocations, leading India to adopt a "New Normal" in its neighborhood policy.

1. The Shift to Kinetic Retaliation: Uri and Balakot

- **The Uri Trigger (2016):** The September 2016 attack on an Army post in Uri was a watershed moment. India responded with Surgical Strikes against terror launch pads across the Line of Control (LoC). This fundamentally altered the "Nuclear Overhang" narrative, proving that India could find "strategic space" for conventional military action below the nuclear threshold.
- **The Balakot Airstrikes (2019):** Following the Pulwama suicide bombing, India's air strikes on a JeM camp in Balakot (deep inside sovereign Pakistani territory) marked a higher level of escalation. It signaled that India was no longer restricted to the LoC and would target the source of terror regardless of geography.

2. Diplomatic Isolation and "BIMSTEC over SAARC"

- **Secluding Pakistan:** India successfully leveraged the 2016 SAARC boycott—supported by regional partners like Afghanistan and Bangladesh—to render the organization defunct.
- **Sub-regionalism:** New Delhi pivoted toward BIMSTEC, inviting its leaders to the 2016 BRICS outreach and the 2019 Prime Ministerial swearing-in. This successfully "de-hyphenated" India's regional growth from the Pakistan-driven deadlock in SAARC.

- **Global Counter-Terrorism:** Robust diplomacy led to the UNSC 1267 listing of Masood Azhar as a global terrorist in 2019, a major victory achieved after convincing China to drop its long-standing technical hold.

3. The Structural Jolt: Abrogation of Article 370 (2019)

- **Internal Consolidation:** By revoking the special status of Jammu & Kashmir and reorganizing it into Union Territories (J&K and Ladakh), India signaled that the "Kashmir Issue" was an **internal administrative matter**, effectively removing it from the bilateral negotiating table.
- **Pakistan's Dilemma:** This move left Islamabad with limited options, resulting in a downgrade of diplomatic ties and a suspension of bilateral trade, which persists into the mid-2020s.

4. The "Stagnant" Diplomacy (2023–2024)

- **War of Words:** Interaction at multilateral forums, such as the 2023 SCO Summit in Goa, remained characterized by sharp rhetorical exchanges rather than substantive dialogue.
- **Internal Chaos in Pakistan:** The political upheaval surrounding the arrest of Imran Khan and the subsequent power struggles within the Pakistani establishment reinforced India's "Wait and Watch" policy. The lack of a stable civilian interlocutor in Islamabad strengthened the consensus in New Delhi that meaningful engagement was impossible.

5. The Inflection Point: Operation SINDOOR (May 2025)

- **The Trigger:** Following a series of targeted attacks on civilians and infrastructure in the Pir Panjal range in early 2025, India launched Operation SINDOOR.
- **The Paradigm Shift:** Unlike the specific "Surgical Strikes" of 2016 or the "Airstrikes" of 2019, Operation SINDOOR was a sustained, tri-service multi-domain campaign. It utilized indigenous swarm drone technology and precision long-range artillery to systematically dismantle terror launch pads and support infrastructure without a full-scale ground invasion.
- **"Blood and Water" Doctrine:** During this operation, India formally held the Indus Waters Treaty (IWT) in abeyance for the first time. By stopping technical data sharing and accelerating construction on the Kishanganga and Ratle projects, India signaled that the "water-for-peace" bargain was no longer unilateral.

6. The Current Status of "Strategic Decoupled Silence"

As of 2026, the relationship is defined by three key pillars:

- **1. Diplomatic Abeyance:** Diplomatic ties remain downgraded at the Charge d'Affaires level. India has successfully "ignored" Pakistan in global forums (G20, SCO), focusing instead on the IMEC (India-Middle East-Europe Economic Corridor) and the Indo-Pacific, effectively isolating Pakistan from the emerging

Eurasian connectivity map.

- **2. The Economic Fortress:** The trade suspension initiated in 2019 remains absolute. India's rapid economic growth has made the "cost of non-cooperation" devastating for Pakistan's inflation-hit economy, while India has successfully diversified its supply chains, rendering Pakistan economically irrelevant to New Delhi.
- **3. The Border Status:** While the 2021 Ceasefire Agreement technically survives on paper, the Loc in 2026 is characterized by "Electronic Fencing" and high-tech surveillance. India's focus has shifted to the "International Border (IB) Paradox," countering narco-terrorism and drone-dropped payloads in Punjab and Jammu.

7. Pakistan's Internal "Trilemma" (2025–2026)

The ongoing power struggle between the civilian government, the military establishment, and the rising influence of non-state extremist factions has made Pakistan an unreliable interlocutor. New Delhi's current stance is that there is "no address" in Islamabad capable of guaranteeing a peaceful outcome, leading to a policy of Strategic Patience.

This section provides a chronological map of the bilateral architecture that has governed India-Pakistan relations. For your 2026/27 notes, it is essential to categorize these treaties not just as historical events, but as a framework that has largely collapsed or been "put on ice" following the Operation Sindoor inflection point of 2025.

Treaties:

The Structural Evolution & Contemporary Collapse

The treaty-based relationship has moved from Third-Party Mediation (Tashkent, Indus) to Bilateralism (Simla), and finally to the current state of Unilateral Abeyance.

A. Karachi Agreement (1949)

- **Context:** Established the first **Ceasefire Line (CFL)** after the 1947 war.
- **Significance:** It formalized the presence of UN observers (UNMOGIP), though India later argued this became redundant after the 1972 Simla Agreement.

B. Liaquat-Nehru Pact (1950)

- **Context:** A humanitarian framework to protect minorities post-Partition.
- **Significance:** It attempted to prevent communal migration and recognized the rights of refugees. However, India has often argued that Pakistan failed to uphold its side of the "minority protection" bargain, a narrative that underpinned the logic of the Citizenship Amendment Act (CAA).

C. Indus Waters Treaty (IWT, 1960)

- **The Framework:** Brokered by the World Bank; divides the rivers into Eastern (India) and Western (Pakistan).

- **2025–2026 Status:** Following the Pahalgam Attack (April 2025), India formally suspended the treaty.
- **Strategic Shift:** By holding the IWT in abeyance, India transitioned from "Water as a Right" for Pakistan to "Water as a Leverage" for India. New Delhi has accelerated construction on the Ratle and Kishanganga projects, asserting that treaty compliance is contingent on an environment free of terror.

D. Tashkent Declaration (1966)

- **Context:** Brokered by the USSR after the 1965 War.
- **Key Outcome:** Required withdrawal to pre-war positions. It is remembered in India for the tragic demise of PM Lal Bahadur Shastri and criticized for returning the strategic Haji Pir Pass to Pakistan.

E. Simla Agreement (1972)

- **The Paradigm Shift:** Converted the CFL into the Line of Control (LoC).
- **Core Principle:** It mandated that all disputes be resolved bilaterally, effectively ruling out third-party (UN) intervention.
- **2026 Perspective:** India now views the Simla Agreement as a "broken covenant" due to Pakistan's continued internationalization of the Kashmir issue and its support for cross-border proxies.

F. Non-Nuclear Aggression Agreement (1988)

- **Context:** Signed by Rajiv Gandhi and Benazir Bhutto.
- **The Mechanism:** A commitment not to attack nuclear installations.
- **Status:** Despite the total freeze in 2026, both nations ironically continue the tradition of exchanging lists of nuclear installations every January 1st, representing the only surviving "transparency" measure.

G. Lahore Declaration (1999)

- **Context:** A high-water mark for "Bus Diplomacy" under PM Vajpayee.
- **Legacy:** It recognized that a nuclear environment requires intensified efforts to resolve disputes. However, the subsequent Kargil War within months created a deep "trust deficit" that arguably persists to this day.

H. Kartarpur Corridor (2019)

- **Context:** A visa-free border crossing for pilgrims.
- **Significance:** In the 2026 landscape, this remains the sole exception to the "Total Decoupling" policy. India maintains the corridor as a gesture to the Sikh community and a "People-to-People" (P2P) link, even while the "Government-to-Government" (G2G) relationship remains at an absolute zero.

India-Pakistan Disputed Territories:

A. The Kashmir Issue: A Tri-Polar Conflict

- **The Identity Battle:** Beyond the 55% land area controlled by India and 30% by Pakistan, the conflict is increasingly defined by China's role (the third actor).
- **The Trans-Karakoram Tract:** India continues to reject the 1963 agreement where Pakistan ceded the Shaksgam Valley to China. In 2026, India views the China-Pakistan Economic Corridor (CPEC) as a violation of sovereignty, as it passes through Gilgit-Baltistan.
- **Strategic Status:** Since the reorganization of Jammu & Kashmir in 2019, India treats the issue as purely internal, while Pakistan continues to internationalize it. However, the 2025 escalation has moved the focus from "diplomatic dispute" to "active military deterrence."

B. Gilgit-Baltistan (GB): Constitutional Limbo

- **Political Status (May 2026):** GB remains constitutionally undefined. While the Pakistani government dissolved the GB Assembly in late 2025, General Elections for Gilgit-Baltistan are scheduled for June 7, 2026.
- **Governance Vacuum:** The region continues to be governed under the Gilgit-Baltistan Order 2018, which keeps ultimate power with the Pakistani Prime Minister.

- **Human Rights:** The Shia majority in GB remains wary of demographic changes and "Sunni-fication" efforts by Islamabad. India maintains that GB is an integral part of the Union Territory of Ladakh.

C. Siachen Glacier: The World's Highest Graveyard

- **Operation Meghdoot (1984–Present):** India holds the Saltoro Ridge, giving it a "high ground" tactical advantage. In April 2026, India marked the 42nd Siachen Day, reaffirming its refusal to withdraw without proper delineation and demarcation of the Actual Ground Position Line (AGPL).
- **The "Bald Men Fighting for a Comb" Critique:** While scholars like Stephen P. Cohen questioned the cost, the 2025 conflict proved Siachen's value. By holding these heights, India prevents a "Point 5260" style pincer movement where Pakistani and Chinese forces could link up to threaten Leh.
- **Current Stance:** India follows a "Trust but Verify" policy—no demilitarization without Pakistan first acknowledging the current ground positions on a signed map.

D. Sir Creek: The Maritime Flashpoint

- **The Dispute:** A 96-km strip of water in the Rann of Kutch.
- **Thalweg Principle:** India insists the border should run through the middle of the navigable channel. Pakistan relies on a 1914 map (Sindh Government Resolution) to claim the entire eastern bank.
- **2026 Warning:** In late 2025 and early 2026, reports surfaced

of Pakistan building new military infrastructure on its side of the creek. Indian Defense Minister Rajnath Singh warned in May 2026 that any "misadventure" here would lead to a response that would "alter both history and geography."

- **Economic Stakes:** The resolution of Sir Creek determines the Exclusive Economic Zone (EEZ) in the Arabian Sea, which is rich in fish, oil, and gas.

Scholarly Perspectives: Analyzing the "Enduring Rivalry"

The scholarly discourse on Pakistan has shifted from seeking "peaceful resolution" to "managing a permanent threat."

A. Rajesh Basrur: The Evolution of Prime Ministerial Approaches

Basrur highlights how individual leadership styles have dictated the oscillating nature of India's Pakistan policy:

- **Nehru (Idealism):** Viewed Pakistan as a temporary aberration. His signing of the **Indus Waters Treaty (1960)** is now critiqued by modern realists as an "excessive concession" that India eventually had to suspend in 2025.
- **Indira Gandhi (Realism):** While she secured a military victory in 1971, Basrur (and others) argue it was a **diplomatic defeat** at Shimla, as India failed to convert 93,000 PoWs into a permanent resolution of the Kashmir border.
- **Gujral & Manmohan Singh (Liberalism):** Both prioritized "Economic Interdependence" and "Non-Reciprocity" (Gujral Doctrine). However, the 2008 Mumbai attacks proved that

economic stakes cannot override the Pakistani military's "Deep State" agenda.

- **Vajpayee (The Nuclear Paradox):** His tenure saw the highest of highs (Lahore) and lowest of lows (Kargil). Basrur notes that Vajpayee's nuclear tests (1998) inadvertently gave Pakistan a "nuclear shield" to pursue low-intensity proxy warfare.

B. Stephen P. Cohen: The "Mutually Hurting Stalemate"

- **Paired Minority Conflict:** Cohen argues that both nations act with a "minority complex"—Pakistan fears being swallowed by India, while India fears its secular fabric being torn by Pakistan-sponsored communalism.
- **The 100-Year Shooting:** He famously predicted that the rivalry would last a century before the futility is realized.
- **2026 Context:** Operation Sindoor (2025) has challenged Cohen's "stalemate" theory by showing that India is now willing to break the stalemate through technological and conventional superiority.

C. M.K. Narayanan: From "Yo-Yo Diplomacy" to "Counter-Force"

- **Inconsistency:** Narayanan criticizes India's past policy as "Yo-Yo Diplomacy"—swinging between emotional overtures and military standoffs.
- **The New Thinking:** Long before 2025, he advocated for a Counter-force Doctrine and Cyber Warfare.
- **2026 Reality:** India's 2026 posture mirrors Narayanan's "New Thinking"—a steady, cold, and calculated military

stance that avoids the "Yo-Yo" trap of seeking talks.

D. Shashi Tharoor: The "Brother Enemy" and Leverage

- **The Dilemma:** In Pax Indica, Tharoor argues that bilateral diplomacy (Cricket/Bus) is exhausted.
- **The Leverage Strategy:** He proposed using "back-channels" through the US, Saudi Arabia, and the UAE—countries that have financial leverage over Pakistan.
- **The Secular Defeat:** Tharoor's most potent point is that India's secularism is Pakistan's biggest defeat. As long as a diverse, democratic India prospers, the "Two-Nation Theory" remains logically bankrupt.

Conclusion:

The India-Pakistan conflict remains a classic "intractable rivalry" rooted in a deep-seated trust deficit and a zero-sum mentality, where historical overtures like the Simla or Lahore declarations failed because concessions were viewed as a "bitter surrender" rather than a bridge to peace. By 2026, this equilibrium has vanished; India's global economic and military ascent, contrasted

with Pakistan's internal "poly-crisis," has made the cost of hostility disproportionately higher for Islamabad. Consequently, New Delhi has moved beyond "Yo-Yo diplomacy" to a posture of "Calibrated Compellence" following Operation Sindoor, placing the entire onus on Pakistan to irreversibly dismantle its terror infrastructure. Ultimately, India has successfully "de-hyphenated" its global

ambitions from the frontier, adopting a policy of "Strategic Ignorance" that ensures its rise continues regardless of the "Cold Peace" persisting with its revisionist neighbor.

Unit – 13

INDIA BANGLADESH RELATIONS

INDIA-BANGLADESH RELATIONS
A Relationship Rooted in History, Bound by Geography, Focused on the Future

1] INTRODUCTION

- India and Bangladesh share a special bond of language, culture, history, and liberation struggle.
- India was the first country to recognize Bangladesh on 6 December 1971.
- Today, the partnership is built on mutual trust, shared prosperity, and regional stability.

“Our relationship is not just between two governments, but between the people of two nations.”
— Sheikh Mujibur Rahman

2] EVOLUTION OF INDIA-BANGLADESH RELATIONS

A 1971-1975 : BANGLADESH'S LIBERATION AND MUJIBUR RAHMAN'S ERA

- Strong foundation of friendship, Treaty of Friendship, Cooperation and Peace (1972), focus on reconstruction, distance and mistrust.

B 1975-1990: ERA OF MILITARY RULE

- Political instability and military regimes created distance and mistrust.

C 1991-2009: ERA OF MULTI-PARTY DEMOCRACY

- Renewed engagement, signing of Ganga Water Treaty (1996), border management, and growing economic ties.

D 2009-2024: PHASE OF ONE-PARTY DOMINANCE

- Deeper cooperation under Awami League government, major connectivity and infrastructure projects, but concerns over democracy and rights.

E AUGUST 2024 – PRESENT

The Post-Hasina Transition

- A new phase of recalibration, India seeks engagement with interim leadership, focusing on stability, inclusivity and shared development.

3] AREAS OF COOPERATION BETWEEN INDIA AND BANGLADESH

A] ECONOMIC ENGAGEMENT

- India is Bangladesh's largest trading partner.
- Bilateral trade crossed \$16 billion in 2023-24.
- Preferential Trade Agreement (PTA) signed in 2010.

B] CONNECTIVITY

- Land Border Agreement (2013) facilitated smooth trade.
- Rail, road, inland waterways and integrated check posts.
- Key projects: Ahasa-Agarata Rail Link, BBIN MVA Agreement.

C] ENERGY

- India is a major power supplier to Bangladesh.
- Cross-border electricity trade benefits both nations.
- Cooperation in oil, LNG and renewable energy.

D] TOURISM

- Bustling circuits, eco-tourism and medical tourism.
- Simplified visa regime and better connectivity boosting people-to-people links.

E] COOPERATION AT MULTILATERAL PLATFORMS

- SAARC, BIMSTEC, BBIN, G20 and UN.
- Cooperation on climate change, LDC graduation, and sustainable development.

F] DEFENCE COOPERATION

- Defense training, exercises (SAMPRIT), and border cooperation.
- Regular DG-level talks between Border Guarding Forces.

G] OTHER AREAS OF COOPERATION

- Education, health, capacity building.
- Cultural exchanges and youth interactions.
- Collaboration in ICT, space and agriculture.

4] MAJOR IRRITANTS BETWEEN INDIA AND BANGLADESH

A] ILLEGAL IMMIGRATION

- Unregulated migration puts pressure on border states and resources.
- Polarization of the issue creates tensions.

B] THE CHINA FACTOR

- Growing Chinese investments and infrastructure (e.g., Padma Bridge, ports) raise India's strategic concerns.

C] RIVER WATER DISPUTES

- Tista Water Sharing remains unresolved.
- Flood management and data sharing need better coordination.

D] DRUG SMUGGLING AND HUMAN TRAFFICKING

- Porous borders facilitate illegal trade and crime.
- A serious challenge for internal security.

E] EXTREMISM AND MINORITY RIGHTS (NEW IRRITANT)

- Rise of Islamist extremism and attacks on minorities in Bangladesh worry India.
- Impact on communal harmony and bilateral trust.

F] THE "EXTRADITION" DILEMMA

- Bangladesh's reluctance to extradite anti-India criminals and terrorists creates friction.
- Legal and political complexities persist.

THE WAY FORWARD

- Strengthen political trust and mutual understanding
- Enhance trade, connectivity and people-to-people contacts
- Resolve water and border issues through dialogue and cooperation
- Work together for regional peace, stability and prosperity
- Promote inclusive growth and respect for democratic values

CONCLUSION

India and Bangladesh are natural partners and regional allies. The future lies in cooperation, not competition. Together, we can build a peaceful, prosperous and developed region.

BOUND BY HISTORY - CONNECTED BY GEOGRAPHY - COMMITTED TO A BETTER FUTURE

Introduction: The Organic and Strategic Partnership

India and Bangladesh share a relationship that is fundamentally rooted in a common history, culture, and geography. Sharing a 4,096.7 km land boundary—the longest India shares with any neighbor—and

54 transboundary rivers, the two nations are inextricably linked by a "shared ecology." This organic connection is best symbolized by the fact that the national anthems of both countries were composed by Rabindranath Tagore, reflecting a deep-seated cultural integration.

The bedrock of this bond remains India's decisive role in the 1971 Liberation War, which fostered decades of goodwill and led to the celebration of "Maitri Diwas" during the 50th-anniversary milestones in 2021. However, the bilateral journey has transitioned from the sentimental "Golden Chapter" (Shonali Adhyay) of 2009–2024 into a more complex phase following the political transition of August 2024.

As the global geopolitical axis shifts toward the Indo-Pacific, Bangladesh has emerged as the "bridge" between South and Southeast Asia. For India, a stable and friendly Bangladesh is not just a diplomatic preference but a strategic necessity for the security and connectivity of its Northeastern states. Consequently, the relationship today is evolving from one based on historical gratitude to one defined by pragmatic interdependence in trade, energy, and maritime security.

2] Evolution of India-Bangladesh Relations

A] 1971–1975: Bangladesh's Liberation and the Mujibur Rahman Era

This period is often referred to as the "**Euphoric Phase**" of bilateral ties, characterized by deep emotional bonds and a shared vision for a secular South Asia.

- **The Birth of a Nation:** Although independence was declared on March 26, 1971, true liberation followed the decisive Indo-Pak

War in December. India was among the first to recognize Bangladesh, providing the fledgling state with critical diplomatic legitimacy and immediate humanitarian aid to rebuild its war-torn economy.

- **The 1972 Treaty of Peace and Friendship:** Signed by PM Indira Gandhi and Sheikh Mujibur Rahman, this 25-year pact formalized cooperation in security, trade, and culture. It was designed to ensure that the "Eastern Flank" of the subcontinent would remain friendly and stable, effectively neutralizing the threat of a two-front war for India.
- **Ideological Convergence:** Sheikh Mujib's governance was built on the four pillars of the Bangladesh Constitution: **Nationalism, Secularism, Democracy, and Socialism**. These mirrored India's own constitutional values, creating a "civilizational synergy" that marginalized communal forces for a brief period.
- Early Strategic Gains:
 - **Land Boundary Agreement (LBA) 1974:** Mujib and Gandhi signed the initial LBA to resolve the complex issue of enclaves, though its full ratification took another four decades.
 - **Security Cooperation:** The Mujib government actively discouraged anti-India insurgent groups from using Bangladeshi soil, a precedent that India highly valued.

B] 1975–1990: Era of Military Rule & Estrangement

- **The Shift:** The 1975 coup removed the "unique ally" status of India. Under Zia-ur-Rehman, the shift from **Bengali** to **Bangladeshi** (Islamic) nationalism made "India-distance" a state policy.

- **Donor Diplomacy:** India was absent from the donor index, allowing countries like **Saudi Arabia** to use aid as a tool for Islamization, further pulling Dhaka away from New Delhi's secular orbit.
- **The Farakka Factor:** India's construction of the barrage for the Hooghly port became a rallying point for "Anti-India" sentiment in Dhaka.
- **Strategic Balancing:** Zia-ur-Rehman's proposal for **SAARC** was a clever attempt at "multilateral balancing"—using a regional forum to prevent Indian hegemony.

C] 1991–2009: The Era of Multi-Party Democracy

This period was defined by the "**Zero-Sum Game**" between the BNP and the Awami League:

- **The BNP-JeI Years (2001-2006):** This was the **nadir** of bilateral ties. The "State-Sponsorship" of anti-India insurgent groups (ULFA) and the rise of radical outfits like **HuJI** (backed by the ISI) turned Bangladesh into a major security threat for India's Northeast.
- **The AL Years (1996-2001):** A "Silver Lining" appeared with the **1996 Ganga Water Sharing Treaty**, proving that ties flourish

when the Awami League is in power.

D] 2009–2024: The "Shonali Adhyay" (Golden Chapter)

This 15-year period under Sheikh Hasina saw the **Strategic Decoupling of Security from Politics:**

- **Security Reciprocity:** Hasina's "Zero Tolerance" for terror led to the handover of ULFA and NDFB leaders, effectively breaking the back of insurgency in India's Northeast.
- **The 100th Amendment (2015):** The historic **Land Boundary Agreement (LBA)** ended the 68-year-old enclave crisis, transforming the border from a point of friction into a corridor of commerce.
- **The "Teesta" Stumbling Block:** Despite the "Golden Chapter," the failure to sign the Teesta agreement (due to Indian domestic federalism/West Bengal) remained a significant diplomatic failure.

E] August 2024–Present: The Era of "Pragmatic Recalibration"

- **The Fall of Hasina:** The August 2024 revolution created a sudden "Diplomatic Vacuum." India's long-term policy of "investing in a person (Hasina) rather than the nation" was heavily criticized by scholars.
- **Interim Governance (2025-2026):** Under the Interim Government led by **Dr. Muhammad Yunus**, the relationship has moved from "Special Partnership" to "**Functional Cooperation.**"
- Key 2026 Issues:
 - **Extradition:** The presence of Sheikh Hasina in India remains a major diplomatic "irritant" for the new regime in Dhaka.
 - **The "Border Killing" Narrative:** Renewed focus on BSF actions has fueled a surge in "India-Out" social media campaigns in 2025-26.

- **Economic Continuity:** Despite political tension, projects like the **Adani Power Supply** and **Maitri Pipeline** continue, highlighting the **Economic Interdependence** that neither side can afford to break

The August 2024 revolution has indeed shifted the paradigm from a "Special Partnership" to a "Strategic Uncertainty." As of **May 2026**, the relationship is navigating a complex transition.

While the **Interim Government (2024–2026)** initially signaled a freeze, the current landscape is defined by **pragmatic re-engagement**, driven by economic and energy needs.

The Current Landscape: May Update

1. The Political Transition

- **The 2026 Elections:** Following the interim period under **Dr. Muhammad Yunus**, Bangladesh held elections in early 2026. The political landscape has become more pluralistic, but the **Bangladesh Nationalist Party (BNP)** has regained significant influence.
- **Diplomatic Recalibration:** India has decisively moved toward **"Non-Partisan Diplomacy."** Instead of relying solely on the Awami League, New Delhi is now engaging with the new leadership to ensure that its "Neighbourhood First" policy remains intact.

2. Strategic & Security "Red Lines"

- **The "Hasina" Factor:** Sheikh Hasina remains in India. In **April**

2026, India officially stated it is "examining" Dhaka's formal request for her **extradition** to face trial for the 2024 events. This remains the single biggest "irritant" in bilateral ties.

- **Insurgency & Extremism:** India has communicated clear "red lines" regarding the use of Bangladeshi soil by insurgent groups or radical outfits. Recent intelligence cooperation suggests that the new regime in Dhaka is willing to maintain security parity to ensure Indian cooperation in other sectors.

3. Economic & Energy Interdependence

Despite political friction, the "umbilical cord" of economics has prevented a total collapse:

- **Energy Security:** Bangladesh faces a severe energy crisis. In **April 2026**, Dhaka requested increased supplies of diesel and fertilizer. India has responded favorably, continuing supplies via the **India-Bangladesh Friendship Pipeline**.
- **Trade Realities:** While there were temporary restrictions in 2025, bilateral trade for FY25-26 stood at approximately **\$11.24 billion**.
- **CEPA:** Discussions for a **Comprehensive Economic Partnership Agreement (CEPA)** have been fast-tracked as Bangladesh prepares to graduate from its **Least Developed Country (LDC)** status later this year, which will end its duty-free access to Western markets.

4. Regional Dynamics & BIMSTEC

The **April 2025 meeting in Bangkok** between PM Modi and Dr. Yunus

served as the "Ice Breaker." By **May 2026**, the focus has shifted to the **Bay of Bengal** as a shared strategic asset.

- **Connectivity:** Projects like coastal shipping and the use of **Chittagong and Mongla ports** for India's Northeast are continuing, as they provide essential revenue for the Bangladeshi economy.

While the "Shonali Adhyay" (Golden Chapter) era has faced political headwinds since August 2024, the "Functional Interdependence" between the two nations remains exceptionally high.

1. Economic Engagement: The Shift to CEPA & Local Currency

- **Trade Volume:** Bilateral trade for the FY 2024-25 settled at approximately **\$13.5 billion**, showing a slight dip due to political upheaval but remaining resilient.
- **CEPA (2026 Status):** Negotiating the **Comprehensive Economic Partnership Agreement (CEPA)** is now a top priority. As Bangladesh graduates from **LDC (Least Developed Country)** status in 2026, it will lose duty-free access to many markets. CEPA is Dhaka's "economic lifeline" to maintain its competitive edge in the Indian market.
- **Rupee-Taka Trade:** To mitigate the dollar crisis in Bangladesh, both nations have expanded the settlement of trade in local currencies, reducing dependence on the Greenback.

2. Connectivity: The "Bay of Bengal" Industrial Hub

- **Matarbari Port (The Game Changer):** Japan-funded **Matarbari**

Deep Sea Port is nearing its first phase of operation in 2026.

This port will serve as a hub for India's Northeast, connecting Tripura directly to the global supply chain.

- **Maritime Transit:** In 2026, the **Coastal Shipping Agreement** has been scaled up. It now treats sea transport between the two as "coastal movement," offering a **40% concession** on port charges, significantly lowering costs for Indian businesses.
- **BBIN MVA:** While Bhutan remains cautious for environmental reasons, the **Bangladesh-India-Nepal** trilateral cargo movement is fully functional under the MVA as of 2026.

3. Energy: "The Godda-Friendship" Corridor

Energy has become the most stable "umbilical cord" in the relationship:

- **Adani Godda Plant:** As of early 2026, **Adani Power** accounts for nearly **10% of Bangladesh's total electricity supply**. Despite political debates over pricing, the "Godda-Bheramara" link is vital for Bangladesh's industrial stability.
- **Friendship Pipeline:** The 131 km **India-Bangladesh Friendship Pipeline (IBFP)** continues to supply high-speed diesel from Numaligarh (Assam) to Parbatipur (Bangladesh), stabilizing fuel prices in Northern Bangladesh.

4. Tourism & Medical Value Travel (MVT)

- **Market Share:** In 2025-26, Bangladesh remained the **#1 source country** for medical tourists in India, with over **3.25 lakh arrivals**.
- **Revenue:** Bangladeshi patients contribute to roughly **50%**

of India's total medical tourism revenue.

- **Visa Policy:** Despite diplomatic strains, India has prioritized "**Medical Visas**" to maintain people-to-people ties, even when general tourist visas were temporarily restricted.

5. Defence: The "Sampriti" Legacy vs. The China Challenge

- **Joint Exercises:** The **12th Edition of Exercise Sampriti** (expected in late 2025/early 2026) continues to focus on counter-terrorism and disaster relief.
- **The China Factor:** China remains Bangladesh's primary arms supplier (approx. 70%). However, India's **\$500 million Line of Credit (LoC)** for defense is slowly seeing implementation, with a focus on non-lethal equipment, specialized vehicles, and coastal radar systems.

the "**Era of Pragmatic Continuity.**" While the personal chemistry between leaders has changed, the structural pillars remain robust.

Additional Strategic & Cultural Cooperation

1. Digital & Tech Cooperation

- **India-Bangladesh Digital Bridge:** India has extended its **UPI**

(Unified Payments Interface) technology to Bangladesh. This has simplified remittances for the millions of Bangladeshis working or traveling in India and reduced the informal 'hundi' channels.

- **Space Cooperation:** The **South Asia Satellite** continues to provide Bangladesh with data for meteorological monitoring and disaster management, a testament to "Space Diplomacy" in the neighborhood.

2. Disaster Management & Climate Change

- **The Delta Synergy:** As both nations share the **Sundarbans** (the world's largest mangrove forest), they have moved toward a joint conservation framework. In 2025, a joint **Early Warning System** for cyclones in the Bay of Bengal was upgraded, significantly reducing the loss of life on both sides of the border.

3. Education & Capacity Building

- **Scholarships and Training:** India continues to offer the **Muktijoddha Scholarship** for descendants of Liberation War veterans. Additionally, the training of Bangladeshi civil servants and judicial officers at India's National Centre for Good Governance (NCGG) remains a key soft-power tool.

Refining C. Raja Mohan's Perspective for 2026

While Raja Mohan previously emphasized the Shonali Adhyay (Golden Chapter) driven by political stability, his recent analysis (post-2024) suggests a shift in focus:

- **From "Leader-Centric" to "State-Centric":** He now argues that the relationship must move from a "special bond" between two parties to a robust "institutional bond" between two states.
- **The "Northeast Gateway":** Raja Mohan highlights that the integration of the **Seven Sisters** with the Bangladeshi heartland is the only way to "undo the economic tragedy of 1947." By 2026, the success of the **Agartala-Akhaura rail link** has proven that geography can be leveraged for mutual prosperity regardless of the regime in Dhaka.

4] Major Irritants Between India and Bangladesh

A] Illegal Immigration and the Identity Crisis

- **The NRC-CAA Narrative:** Beyond the National Register of Citizens (NRC), the Citizenship Amendment Act (CAA) continues to be a point of friction. In 2026, the narrative in Dhaka has shifted from "denial of migration" to a "fear of push-backs," which anti-India elements use to fuel domestic unrest.
- **The Rohingya Dimension:** Bangladesh hosts over 1.2 million Rohingya refugees. Dhaka increasingly views India's stance as "too soft" on the Myanmar junta, leading to a perception that India is not doing enough to facilitate their repatriation.
- **Vina Sikri's 2026 Context:** Her point on Climate Migration is now a "Current Affair." With rising sea levels, the saline incursion in the Sundarbans is forcing thousands to move north. For GS-2, argue that India and Bangladesh need a "Climate Refugee Protocol" to manage this inevitable ecological displacement.

B] *The China Factor: From Economy to Infrastructure*

- **Strategic Encirclement:** Bangladesh's "Neutrality" is being tested. In 2024–2026, China has shifted focus from mere trade to critical infrastructure.
- **Teesta River Management Project:** Since India's Teesta treaty is stalled, China has proposed a \$1 billion management project (dredging and embankments) within Bangladesh. For India, a Chinese presence so close to the Siliguri Corridor (Chicken's Neck) is a major "Red Line" for national security.
- **The Submarine Base:** The **BNS Sheikh Hasina** submarine base at Pekua (built with Chinese help) is now operational. While Bangladesh calls it sovereign defense, New Delhi views it through the lens of the "**String of Pearls**" strategy.

C] *River Water Disputes: Beyond the Ganga and Teesta*

- **Teesta Deadlock:** The dispute remains the "Achilles' heel" of bilateral ties. While the 1996 Ganga Treaty is up for renewal in 2026, the Teesta agreement remains hostage to West Bengal's domestic politics.
- **Joint River Commission (JRC):** In late 2025, the JRC met to fast-track data sharing for **six other rivers** (Manu, Muhuri, Khowai, Gumti, Dharla, and Dudhkumar). This "Incrementalism" is India's way of showing progress while the Teesta remains stuck.
- **The "Water as a Weapon" Narrative:** In 2026, social media rumors in Bangladesh often blame Indian dam releases for sudden floods. India has countered this by establishing a **Real-**

Time Flood Data Sharing mechanism to build transparency.*D] Border Management: The Emotional Irritant*

- **Border Killings:** This remains the most emotive issue in Bangladesh. Despite a "Non-Lethal Weapon" policy, accidental deaths during cattle-smuggling interventions fuel a negative public perception of India.
- **Comprehensive Border Management Plan (CBMP):** India is pushing for "Smart Fencing" (BEEPS - Border Electronic Surveillance) to replace physical confrontations with technological monitoring.

E] Extradition and Political Transition (2025–2026): The legal status of former PM Sheikh Hasina in India is a significant diplomatic hurdle. The current administration in Dhaka views her presence in India as a "protection of an autocrat," while New Delhi views it through the lens of "asylum and historical loyalty." Navigating this without damaging ties with the new regime is India's biggest diplomatic challenge.

Perspectives of Scholars

1. Dr. S. Jaishankar: *"The Transition to Constructive Engagement"*

- **The 2026 Reset:** In April 2026, EAM Jaishankar hosted the first high-level delegation from the newly elected Bangladeshi government in New Delhi. He signaled a shift from the "forged in blood" rhetoric of 1971 to a "Future-Ready Partnership."
- **The Visa Diplomacy:** To bridge the trust deficit, Jaishankar recently announced the easing of Indian visas, specifically for medical and business categories, which had been slow since August 2024.
- **National Interest First:** He has maintained that while India respects the "will of the people" in Bangladesh, bilateral ties cannot be "held hostage" to the legal issues of the previous regime (i.e., Sheikh Hasina's extradition).

2. C. Raja Mohan: *"Functionalism Over Ideology"*

- **The Geography Trap:** Raja Mohan's 2026 analysis focuses on "Unlocking the Bay of Bengal." He argues that despite the change in power from the Awami League (AL) to the Bangladesh Nationalist

Party (BNP)-led coalition, the "logic of geography" remains unchanged.

- **Geopolitics of Connectivity:** He notes that the new regime in Dhaka has realized that using Indian territory for transit and energy is an "economic imperative," not a political favor. His advice for 2026: "India must treat Bangladesh as a sovereign equal, not as a junior partner in a security alliance."

3. Muchkund Dubey: *"The Legacy of a True Friend"*

- **Historical Note:** Sadly, the legendary diplomat Muchkund Dubey passed away in June 2024. However, his 2026 legacy is cited by scholars who advocate for his "Dubey Doctrine":
- **The "Economic Lifeline" Thesis:** Dubey always argued that India must offer unilateral trade concessions to its neighbors to counter Chinese influence. In 2026, his views are being used to justify the fast-tracking of the CEPA (Comprehensive Economic Partnership Agreement) to ensure Bangladesh remains economically tethered to India rather than exclusively to the BRI.

4. S. Chatterjee & *The "Federal Diplomacy" Update*

- **The Bengal Factor:** Chatterjee's focus on domestic politics has taken a significant turn. In **May 2026**, the political landscape of West Bengal has shifted (following the 2026 Assembly Elections).
- **Central-State Alignment:** With a new political administration in Kolkata that is more aligned with the Union Government's strategic goals, scholars like Chatterjee are observing a rare

window of opportunity to resolve the Teesta Water Sharing deadlock, which was previously blocked by regional vetoes.

Conclusion: Towards a Resilient Partnership

India and Bangladesh share an organic and multi-faceted relationship that is far more than a mere diplomatic arrangement; it is a geographic and civilizational necessity. While the "Golden Chapter" (2009–2024) provided the infrastructure for connectivity and security, the post-2024 political transition in Dhaka has ushered in a "New Normal." This phase is defined not by historical sentiment, but by a pragmatic recognition that neither nation can prosper in isolation.

The future of this partnership hinges on three critical pillars:

1. **Institutionalization:** Moving the relationship beyond "Leader-to-Leader" chemistry toward robust "State-to-State" institutional bonds that can survive domestic political cycles.
2. **Economic Integration:** Fast-tracking the CEPA and local currency trade to ensure that Bangladesh's 2026 graduation from LDC status becomes a milestone for growth rather than a crisis.
3. **Ecological Cooperation:** Addressing transboundary challenges like the Teesta water sharing and climate-induced migration through a lens of shared "Deltaic Sovereignty."

Ultimately, the stability of India's Northeast and the success of its "Act East" policy are inextricably linked to a friendly and prosperous

Bangladesh. By shifting from a "senior partner" complex to a "sovereign equal" approach, India can ensure that the Bay of Bengal remains a zone of peace and a bridge to the Indo-Pacific. A proactive involvement to resolve impending issues like border killings and water disputes will not only cement bilateral ties but act as a force multiplier for the integration of the entire BIMSTEC region.

Unit - 14

INDIA SRI LANKA RELATIONS:

INDIA-SRI LANKA RELATIONS
Neighbours by Geography, Partners by Choice

1 INTRODUCTION

- A relationship rooted in history, culture, Buddhism and the Indian Ocean.
- Shared civilizational links for over 2,500 years.
- Close neighbours with shared security and economic interests.

HISTORY OF INDIA-SRI LANKA RELATIONS

A 1947-1987 Formative Years & Ethnic Tensions

- Strong diplomatic ties from independence.
- Rise of Tamil issue in Sri Lanka.
- 1974: Katchatheevu accord on fishermen.

B 1987-1991 The Interventionist Phase

- 1987: Indo-Sri Lanka Accord.
- Deployment of Indian Peace Keeping Force (IPKF).
- Return of IPKF in 1990.

C 1991-PRESENT Shift Toward Pragmatism

- Focus on development, connectivity & trade.
- Non-interference in Sri Lanka's internal affairs.
- Rebuilding trust after Eelam conflict.

2 AREAS OF COOPERATION AND CONFLICT

A Trade Relations

- India is Sri Lanka's largest trading partner & export destination.

B Developmental Cooperation

- Housing, railways, schools, hospitals, scholarships, IT parks.

C Cultural & People-to-People Relations

- Buddhism, Tamil language, festivals, cinema, education and diaspora ties.

D Tourism Cooperation

- Pilgrimage tourism (Buddhist circuit), beaches, Ayurveda, heritage tourism.

E Human Resource Development

- Vocational training, IT education, medical professionals exchange.

F Fishermen Issue & Maritime Security

- Arrests of fishermen, overlapping fishing zones.
- Cooperation on piracy, drug trafficking & SAR.

3 ENERGY AND CONNECTIVITY

A Energy Security

- Long-term power cooperation.
- Grid connectivity proposed.

B Renewable Energy

- Joint projects on solar, wind and green hydrogen.

C Petroleum

- Trincomalee Oil Tank Farm redevelopment.

D Physical Connectivity

- Ferry services.
- Road and rail links.
- Air connectivity.

4 INDIA-SRI LANKA AND THE CHINA FACTOR

A Hambantota International Port

- 99-year lease to China.

B Colombo Port City

- Chinese-funded mega project.

C The "Dual-Use" Threat

- Risk of military use of civilian infrastructure.

D India's Counter-Strategy

- Infrastructure projects (Trincomalee, housing, ports, roads).
- Economic integration and capacity building.

5 THE SRI LANKAN ECONOMIC CRISIS (2022-PRESENT)

A India's "First Responder" Role

- \$4 billion assistance (credit lines, food support, fuel, food, medicine).
- Lines of Credit for essential imports.

B Debt Restructuring

- Support for IMF programme.
- Encouraging sustainable debt management & structural reforms.

C Shift in Public Perception

- From suspicion to gratitude.
- Strengthened people-to-people goodwill.

6 SCHOLARLY PERSPECTIVE ON INDIA-SRI LANKA RELATIONS

A Realist Perspective

Based on power, security and strategic interests.

"India seeks to ensure its periphery is stable and free from external dominance."

— M.K. Shadashankar

B Liberal Perspective

Focus on economic interdependence and regional cooperation.

"Interdependence in trade, energy and connectivity creates mutual gains and peace."

— A.J. Wilson

C Constructivist Perspective

Emphasizes shared identity, culture and norms.

"Civilizational ties and people-to-people connect are the glue that sustains India-Sri Lanka relations."

— Harsh V. Pant

Way Forward

- Deepen economic integration.
- Resolve fishermen issue humanely.
- Counter external influence through positive engagement.
- Strengthen maritime security.
- Promote people-to-people connect and trust.

"A stable, prosperous Sri Lanka is essential for India's security, peace and prosperity in the Indian Ocean region."

INTRODUCTION

As S. Jaishankar stated, "It is natural for India to stand by Sri Lanka

during its difficult time as 'blood is thicker than water.'" India is Sri Lanka's closest neighbour. The relationship between the two countries is more than 2,500 years old, and both sides have built upon a legacy of intellectual, cultural, religious, and linguistic exchange. Over time, relations between the two countries have also matured and diversified, covering all areas of contemporary relevance.

HISTORY OF INDIA-SRI LANKA RELATIONS

A] 1947–1987: The Era of Ethnic Divergence & Diplomatic Pacts

1. *The Roots of Marginalization (1948–1956)*

- **The Citizenship Act of 1948:** Immediately after independence, Sri Lanka (then Ceylon) disenfranchised over 700,000 "Indian Origin Tamils" (Plantation Tamils), making them stateless overnight.
- **The Sinhala Only Act (1956):** Officially known as the **Official Language Act No. 33 of 1956**.
 - **Impact:** It replaced English with Sinhala as the sole official language, effectively barring Tamils from civil services and higher education. This move is cited by scholars as the "point of no return" for ethnic relations.
- **1958 Riots:** The first widespread anti-Tamil pogroms followed the language policy, marking the beginning of the "militant turn" in Tamil politics.

2. *The "Statelessness" Crisis & India's Response*

- **Nehru-Kotelawala Pact (1954):** The first attempt to resolve the "Indian Tamil" issue was made during Nehru's time. Nehru agreed to grant Indian citizenship to those who voluntarily applied for it. However, he rejected Sri Lanka's attempt to deport them in large numbers.
- **Sirimavo-Shastri Pact (1964):** A landmark agreement where India agreed to take back 5.25 lakh Tamils, while Sri Lanka granted citizenship to 3 lakh.
- **Sirimavo-Indira Gandhi Pact (1974):** Addressed the remaining "stateless" people (roughly 1.5 lakh), dividing them equally between the two nations.

3. *The Maritime Shift: Kachchatheevu (1974 & 1976)*

- **1974 Agreement:** India recognized Sri Lankan sovereignty over Kachchatheevu Island to settle maritime boundaries in the Palk Strait.
- **1976 Agreement:** A follow-up that prohibited fishermen from both countries from fishing in each other's Exclusive Economic Zones (EEZ).

4. *Strategic Friction & The Rise of LTTE (1971–1976)*

- **1971 Bangladesh War:** Sri Lanka's decision to allow Pakistani refueling created deep strategic mistrust in New Delhi.
- **1972 Constitution:** Formally changed the name from 'Ceylon' to 'Sri Lanka' and gave **Buddhism** the "foremost place," further alienating the Hindu/Christian/Muslim Tamil

minorities.

- **1976 - Formation of LTTE:** Founded by V. Prabhakaran, moving from political demands for federalism to a militant demand for a separate state: Tamil Eelam.

5. 1983: "Black July" and Indian Intervention

- **The Turning Point:** The 1983 anti-Tamil riots led to a massive influx of refugees into Tamil Nadu.
- **Internal Security vs. Foreign Policy:** The presence of refugees and domestic pressure from Tamil Nadu forced the Indian government to transition from a "mediator" to an "active player," eventually leading to the 1987 Accord.

B] 1987 – 1991: The Interventionist Phase & the IPKF Crisis

This period marks the height of India's direct involvement in Sri Lanka's internal affairs, transitioning from a mediator to a combatant.

1. Operation Poomalai (Eagle Mission 4) - June 1987

Before the Accord was signed, India sent a strong signal of its "Regional Hegemony" and humanitarian concern. When the Sri Lankan military besieged Jaffna (Operation Liberation), India air-dropped 25 tons of food and medicine via five AN-32 transport aircraft escorted by Mirage 2000s.

- **Significance:** It was a clear violation of Sri Lankan airspace, demonstrating that New Delhi would not allow a "military

solution" to the Tamil problem.

2. *The Indo-Sri Lanka Accord (July 29, 1987)*

Signed by PM Rajiv Gandhi and President J.R. Jayewardene, this was intended to be a "final solution" to the ethnic conflict.

- **The 13th Amendment (13A):** The legislative outcome of the Accord. It aimed to create **Provincial Councils** to devolve power to the Tamil-majority North and East.
 - Note: To this day (2026), the full implementation of 13A (specifically police and land powers) remains India's primary demand to Colombo.
- **Strategic Clauses:** The "Third Party" clause. This was aimed at keeping the **US, Israel, and Pakistan** out of Trincomalee port, ensuring the Indian Ocean remained an "Indian Lake."

3. *The IPKF (Operation Pawan) - 1987–1990*

India sent the Indian Peace Keeping Force (IPKF) to oversee the disarmament of militants.

- **The Transition to War:** The LTTE refused to surrender arms, leading the IPKF into a bloody counter-insurgency war against the very people they were sent to protect.
- **The "Vietnam" Parallel:** Scholars often call this "India's Vietnam." India lost over 1,100 soldiers, and the mission failed to bring peace or satisfy either ethnic faction.
- **Withdrawal (1990):** Under pressure from both the LTTE and the new Sri Lankan President Ranasinghe Premadasa (who secretly armed the LTTE against the IPKF), the forces were

withdrawn in March 1990.

4. *The Assassination of Rajiv Gandhi (May 1991)*

- **Impact:** The assassination of Rajiv Gandhi by an LTTE suicide bomber at Sriperumbudur fundamentally changed India's foreign policy.
- **The Policy of "Hands-Off":** India designated the LTTE as a terrorist organization and adopted a policy of "Passive Engagement"—supporting the territorial integrity of Sri Lanka while distancing itself from the military conflict.

C] 1991 – Present: The Era of Strategic Detachment and Economic Re-engagement

1. Following 1991, India moved toward a more **Economic-Centric relationship**.

- **1998 - India-Sri Lanka Free Trade Agreement (ISFTA):** The first FTA signed by India, signaling a shift toward economic integration.
- **2009 - The End of the Civil War:** The Sri Lankan military defeated the LTTE in Operation Riveria. India provided "non-lethal" support and intelligence but faced domestic political pressure from Tamil Nadu regarding civilian casualties.
- **The 2022 Economic Crisis (Aragalaya):** India proved its "Neighbourhood First" policy by providing \$4 billion in emergency aid, surpassing the IMF's initial response.

2. The "Dissanayake Era" (2024–2026)

With the election of Anura Kumara Dissanayake (NPP) in late 2024, the relationship has entered a "Pragmatic Phase":

- **Overcoming Suspicion:** Historically, the JVP/NPP was anti-India (Marxist roots). However, by 2026, they have embraced a "State-to-State" functional relationship with New Delhi.
- **Focus:** Shifting from "Ethnic Politics" to Energy Connectivity and Maritime Security.

3. The "China Factor" & The Debt Trap (2015–2022)

- **Maritime Encirclement:** The Rajapaksa era saw a massive tilt toward Beijing. The 99-year lease of **Hambantota Port** and the docking of Chinese nuclear submarines in Colombo (2014) raised major "Red Lines" for Indian national security.
- **Strategic Counter-moves:** India began investing in the **Trincomalee Oil Tank Farms** and the **West Container Terminal** (Adani Group) at Colombo Port to counter the Chinese presence.

4. The "Aragalaya" and the 2026 "New Normal"

- **First Responder:** During Sri Lanka's 2022 economic collapse, India's **\$4 billion aid** (Credit lines for fuel, food, and medicine) effectively replaced the "Big Brother" image with that of a "Dependable Partner."
- **The 2026 Geopolitics:** Under the current **Anura Kumara Dissanayake** administration, the relationship has matured. Sri

Lanka has implemented a **moratorium on Chinese research vessels** (2024-2025), and by 2026, the focus has shifted entirely to **Energy Connectivity** (power grids and pipelines) and **UPI-based digital integration**.

India-Sri Lanka: Areas of Cooperation and Conflict A] Trade

Relations

- **ISFTA (1998):** India is Sri Lanka's largest trading partner.
- **ETCA (Economic and Technology Cooperation Agreement):** Negotiations are ongoing in 2026 to expand the ISFTA to include services and technology.
- **Investment:** India is a top investor in Sri Lanka, focusing on telecommunications, hospitality, and energy.
- **Local Currency Settlement:** To protect Sri Lanka's forex reserves, the two countries have begun exploring **INR-denominated trade settlements**, allowing Sri Lanka to import essential goods from India without using US Dollars.

B] The Fishermen Issue: The Persistent Irritant

This remains the most complex challenge in bilateral relations, involving a clash between livelihood, international law, and ecology.

1. **The Core Conflict:** Indian fishermen (mostly from Tamil Nadu) cross the **International Maritime Boundary Line (IMBL)** and enter Sri Lankan waters near **Kachchatheevu** because the Indian side has been overfished.
2. **Bottom Trawling:** The primary grievance of Sri Lankan (Tamil) fishermen is the use of **mechanized bottom trawlers** by

Indians.

These nets scrape the ocean floor, destroying the marine ecosystem and the nets of local Sri Lankan fishermen.

3. **The "Kachchatheevu" Factor:** Although the island was ceded to Sri Lanka in 1974, the demand for its "retrieval" remains a potent political issue in Tamil Nadu, complicating diplomatic negotiations.
4. 2026 Mitigation Measures:
 - **Deep-Sea Fishing:** India is subsidizing the transition of Tamil Nadu fishermen to "Deep Sea Fishing" to reduce pressure on the Palk Strait.
 - **Joint Working Group (JWG):** Regular meetings are held to ensure the "humanitarian treatment" of arrested fishermen and to fast-track the release of seized boats.

C] 1991 – Present: Post-Conflict Challenges and Strategic Shifts

1. *The End of the Civil War (2009)*

- **The Military Solution:** In May 2009, the Sri Lankan military (under the Rajapaksa administration) launched a final offensive. The LTTE was militarily decimated.
- **Correction on Prabhakaran:** While the Sri Lankan government declared him dead in combat, the details remain a subject of intense human rights debate. Most international reports and local accounts suggest he was killed in the final battle at Nanthikadal, rather than committing suicide.
- **Human Rights Concerns:** The "White Flag" incidents and the

alleged execution of Prabhakaran's young son, Balachandran, became global symbols of war crimes, leading to repeated UNHRC resolutions against Sri Lanka—where India has often had to balance its vote between "justice" and "strategic partnership."

2. *The Current Triple-Crisis in Bilateral Ties (2026 Perspective)*

I. Human Rights and Accountability:

- **The Reconciliation Gap:** Although the war ended 17 years ago, the **Office on Missing Persons (OMP)** has made little progress. In 2026, the international community continues to pressure Colombo for a credible domestic mechanism to investigate war crimes.
- **Land Return:** You mentioned the 30% land occupation. In 2025–2026, there has been a renewed push by the **Anura Kumara Dissanayake** government to release more private land in the North and East held by the military, but the "High Security Zones" remain a major point of Tamil resentment.

II. The 13th Amendment (13A) – The "Eternal" Demand:

- **Meaningful Devolution:** India's stance in 2026 remains firm: Sri Lanka must implement the 13th Amendment in full (including land and police powers) to satisfy Tamil aspirations for autonomy within a united Sri Lanka.
- **The Federal vs. Unitary Debate:** Most Sinhalese political parties remain wary of 13A, fearing it is a stepping stone to secession, leaving the Provincial Councils largely toothless.

III. The China Factor – "Debt-Trap" to "Port-City":

- **Maritime Security:** Beyond Hambantota, the **Colombo Port City** (an artificial island and Special Economic Zone) is now fully operational in 2026. India views this as a potential Chinese "colony" in its backyard.
- **Research Vessel Moratorium:** A major win for Indian diplomacy in 2024–2025 was Sri Lanka's one-year ban on foreign (Chinese) research vessels docking at its ports. By 2026, India is pushing for a permanent "Standard Operating Procedure" (SOP) to prevent spy ships from monitoring Indian naval movements.

B] Investment and Infrastructure (2026 Context)

India's FDI is no longer just about "Petroleum and Banking"; it has moved into **Strategic Connectivity**.

- **Cumulative FDI:** Exceeds **USD 2.5 billion** as of 2026.
- Key Projects:
 - **Adani West Container Terminal (WCT):** A USD 700 million investment in Colombo Port, strategically countering the Chinese-run South Container Terminal.
 - **Energy Grid Interconnection:** A landmark project to link the national power grids via an **undersea cable**, allowing Sri Lanka to export renewable energy to India.
 - **Trincomalee Oil Tank Farm:** Jointly developed by Lanka IOC and Ceylon Petroleum Corporation, this project has turned the Eastern Port into a strategic energy hub for the Bay of Bengal.

- **Digital Connectivity:** The integration of **UPI (Unified Payments Interface)** in Sri Lanka has boosted tourism, allowing Indian travelers to pay in INR at local shops.

C] India-Sri Lanka and the China Factor

The strategic competition between India and China in Sri Lanka has shifted from "Infrastructure Loans" to "**Maritime Influence and Data Sovereignty.**"

- **The "String of Pearls" vs. "SAGAR":** As noted by **Prof. S.D. Muni**, China's influence is often rooted in elite capture. India counters this with **SAGAR** (Security and Growth for All in the Region) and the "**Neighbourhood First**" policy, emphasizing transparency and long-term sustainability.

1. Hambantota International Port & The Debt Trap

- **The Lease:** The 99-year lease (2017) to **China Merchants Port Holdings** remains a textbook example of "Debt-Trap Diplomacy."
- **Security Concerns:** Despite the 2017 "no military use" clause, India remains wary of "Dual-Use" capabilities.
- **The 2026 Counter-Strategy:** India has balanced the Chinese presence in the south by securing a footprint in the **Trincomalee Oil Tank Farm** (East) and managing the **Mattala Rajapaksa International Airport** (near Hambantota) in a joint venture.

2. The "Spy Ship" Diplomacy (2024–2026)

- **Research Vessels:** The docking of Chinese "Scientific Research" vessels (like *Yuan Wang 5*) created major friction, as these ships are capable of tracking Indian satellite launches and mapping the seabed for submarine navigation.
- **The 2024-25 Moratorium:** Under intense Indian security pressure, Sri Lanka implemented a one-year ban on foreign research vessels.
- **2026 Status:** While the ban has technically expired, the **Dissanayake Government** has implemented a strict **Standard Operating Procedure (SOP)** that prevents foreign vessels from conducting underwater mapping or electronic surveillance within the Sri Lankan EEZ without Indian/Sri Lankan observers on board.

D] Developmental Cooperation: The "People-Centric" Pillar

India's developmental model in Sri Lanka is distinct because it is primarily **grant-based** and focused on social infrastructure, unlike the "debt-heavy" loan models used by other regional players.

1. Flagship: The Indian Housing Project (IHP)

As of **April 2026**, this project remains the largest grant assistance initiative ever undertaken by India abroad.

- **Status Update (April 2026):** Vice President C.P. Radhakrishnan visited Sri Lanka and handed over the final 145 houses of **Phase III**, marking the completion of **50,000 houses** in the North, East, and plantation areas.

- **Phase IV:** Work has already commenced on the **fourth phase** to build an additional **10,000 houses** specifically for estate workers in the plantation regions, honoring a commitment made by PM Modi.

2. New Multi-Sectoral Grant Assistance (2025–2026)

Following the Prime Minister's visit in April 2025 and the subsequent Presidency of **Anura Kumara Dissanayake**, a new framework for the **Eastern Province** was launched.

- Key Projects (Started May 2026):
 - **Healthcare:** Construction of Eye, ENT, and Mental Health units in the Eastern Province.
 - **Empowerment:** Establishment of Batik Training Centres for women.
 - **Neonatal Care:** A Premature Baby Unit and a new 4-story medical ward complex at the District General Hospital in **Mullaitivu**.
 - **Cultural:** Grant assistance for the development of the **Thirukoneswaram Temple** (Trincomalee) and the **Sacred City Complex** in Anuradhapura.

3. Lines of Credit (LOC) & Infrastructure

India has shifted focus from general infrastructure to "**Connectivity and Green Energy.**"

- **Northern Railway:** Resumption of train services on the restored northern railway line (Kankesanthurai–Colombo) in early 2026.

- **Kankesanthurai (KKS) Port:** India recently provided **\$60 million** specifically for the renovation of the KKS port in Jaffna to boost regional tourism and trade.
- **Solar Energy:** A **\$100 million LOC** is being utilized for rooftop solar systems for government buildings and 1,000 solar-powered water pumps for farmers.

4. Capacity Building: The "ITEC" Influence

- **ITEC Slots:** As of **2026**, India has increased the fully-funded training slots to **700 annually** for Sri Lankan professionals.
- **2026 Focus:** Training is now concentrated on **Artificial Intelligence (AI)**, digital governance, and disaster management to help Sri Lanka's bureaucracy modernize.

Cultural and People-to-People Relations

The cultural link is the "Soft Power" anchor that prevents bilateral ties from breaking during political storms.

1. Buddhist Diplomacy: The Civilizational Bridge

- **Historical Continuity:** The mission of **Mahinda** and **Sanghamitta** (children of Emperor Ashoka) remains the foundational narrative of Sri Lankan identity.
- **The 2026 "Relic Diplomacy":** In early 2026, the **Exposition of the Holy Devnimori Relics** from India toured various provinces in Sri Lanka. This followed the \$15 million grant announced by India specifically for the promotion of Buddhist ties.

- **Kushinagar Connection:** With the international airport at Kushinagar (India) becoming a major hub, direct flights for Sri Lankan pilgrims have been subsidized, facilitating a massive surge in the "**Buddhist Circuit**" tourism.

2. *The Ramayana Trail & Hindu-Tamil Ties*

- **Ramayana Circuit:** India and Sri Lanka are jointly developing the **Ramayana Trail**, identifying sites like *Ashok Vatika* (Sita Eliya) and *Ram Sethu* to attract the Indian diaspora and domestic tourists.
- **'Naam 200' (2023-2026):** India has intensified engagement with the **Indian Origin Tamils (IOTs)** of the hill country, commemorating 200 years of their arrival in Sri Lanka. This includes cultural centers and specific grant assistance for the Upcountry Tamil community.

3. *Connectivity as a Cultural Force (2025–2026 Updates)*

Physical connectivity is now viewed as a tool for "People-to-People" reintegration:

- **Nagapattinam-Kankesanthurai (KKS) Ferry:** After some initial hiccups, the high-speed ferry service was stabilized in **mid-2025**. It has drastically reduced travel costs for pilgrims and traders between Tamil Nadu and Northern Sri Lanka.
- **Chennai-Jaffna Flights:** The daily Alliance Air service has turned Jaffna into a gateway for cultural exchange, allowing for "weekend tourism" and academic collaborations between Jaffna and Madras Universities.

4. Digital & Educational Synergy

- **UPI Launch (2024/25):** The introduction of **UPI** in Sri Lanka has empowered "digital people-to-people" ties, allowing Indian tourists to use their local payment apps, which has significantly boosted local Sri Lankan small businesses.
- **ICCR Scholarships:** India offers over **800 scholarships** annually to Sri Lankan students. In 2026, a new "Science and Tech" quota was added to help Sri Lankan youth gain expertise in India's booming IT sector.

Tourism Cooperation

1. Market Dominance

- **Primary Source:** India consistently remains the **number one source market** for Sri Lanka. In 2025, Indian arrivals crossed the 400,000 mark, accounting for approximately **25% of total international visitors**.
- **Strategic Importance:** Tourism revenue is a major pillar of Sri Lanka's debt sustainability plan. India's steady outflow of travelers provides a reliable "safety net" for the Sri Lankan hospitality industry.

2. Visa and Entry Facilitation (2024–2026 Updates)

- **Visa-Free Entry (2024–2026):** In late 2023, Sri Lanka launched a pilot project providing **free visas** to Indians to boost post-pandemic recovery. Due to its massive success, this policy has been extended through 2025 and into 2026 for regular

tourists.

- **Digital Integration (UPI):** A game-changer in 2024 was the launch of **UPI (Unified Payments Interface)** in Sri Lanka.
 - **Impact:** Indian tourists can now pay at local merchants, hotels, and tourist sites using their Indian bank apps (PhonePe, Google Pay, etc.), eliminating the hassle of currency exchange and boosting "retail tourism."

3. Connectivity Upgrades

- **Nagapattinam-Kankesanthurai (KKS) Ferry:** Re-launched in 2023 and stabilized in 2025, this ferry service offers a low-cost travel alternative for pilgrims and budget travelers from South India to Northern Sri Lanka.
- **Chennai-Jaffna Flights:** Daily flights have turned Jaffna into a cultural tourism hub, specifically for the "Kinship Tourism" of the Tamil diaspora.
- **Ramayana Trail:** The governments are jointly promoting the **Ramayana Circuit**, identifying sites like the Seetha Amman Temple in Nuwara Eliya and Munneswaram Temple to attract religious tourists from India.

Human Resource Development Cooperation

Human Resource Development (HRD) is a key "Soft Power" tool used by India to build long-term institutional capacity in Sri Lanka.

- **ITEC Program:** India offers over **700 fully-funded slots** annually to Sri Lankan officials and professionals under the **Indian Technical and Economic Cooperation (ITEC)** program.
 - 2026 Focus: Training is now prioritized in **Artificial Intelligence, Renewable Energy, and Digital Governance**.
- **Scholarships:** The Indian Council for Cultural Relations (ICCR) provides around **800 scholarships** annually for Sri Lankan students to pursue undergraduate, postgraduate, and PhD programs in India.
- **Vocational Training Centers:** India has established various Vocational Training Centers (VTCs) in **Jaffna, Nuwara Eliya, and Batticaloa** to enhance the employability of Sri Lankan youth in the post-war regions.

5] A Note on the Sri Lankan Economic Crisis (2022–2026)

The crisis served as a "reset button" for India-Sri Lanka relations, moving the perception of India from a "Big Brother" to a "First Responder."

A] *The Genesis of the Crisis (2019-2022)*

- **Compounding Errors:** As you noted, the "Twin Deficit" was exacerbated by the 2019 Easter Sunday attacks (hit tourism), the 2021 chemical fertilizer ban (hit agriculture/tea exports), and the COVID-19 pandemic.
- **The Default:** In April 2022, Sri Lanka became the first Asian nation in decades to default on its **\$51 billion** foreign debt.

B] *India's "Leadership" Role (The Trust Dividend)*

- **Financial Lifeline:** India provided **\$4 billion** in emergency assistance (currency swaps, credit lines for fuel, and food). This was crucial during the *Aragalaya* (People's Protest) when no other nation stepped forward.
- **Debt Restructuring (2024-2025):** India was the **first major creditor** to provide official "Financing Assurances" to the IMF, which was a prerequisite for Sri Lanka to receive the **\$2.9 billion Extended Fund Facility (EFF)**.
- **2026 Stabilization:** By May 2026, Sri Lanka has moved from "Survival" to "Stabilization." Inflation has cooled from nearly 70% (2022) to single digits.

C] *The 2026 "Connectivity Pivot"*

The crisis taught Colombo that over-reliance on distant markets (China/West) for essentials is risky. Consequently, 2026 is seeing:

1. **Energy Integration:** Fast-tracking of the **Adani Wind Power projects** and the **India-Sri Lanka Power Grid link**.
2. **Digital Integration:** The wide-scale adoption of **UPI** to boost Indian tourism and reduce forex pressure.
3. **Land Bridge:** Renewed feasibility talks for a **Palk Strait Land Bridge** (Hanuman Bridge) to permanently link the two economies.

6] Scholarly Perspectives on India–Sri Lanka Relations

A] G. Parthasarathy: The "Strategic Vigilance" Perspective

- **Core View:** India must remain "meaningfully engaged" to prevent a strategic vacuum that China or Pakistan could fill.
- **The Pakistan-China Nexus:** He highlights that while China provides the infrastructure (Hambantota), Pakistan often attempts to provide "low-cost" military hardware (like the JF-17 aircraft) to gain a foothold in the Sri Lankan defense establishment.
- **2026 Update:** Parthasarathy now emphasizes that India's gift of a **Dornier maritime surveillance aircraft** to Sri Lanka (2022–2025) and the training of Sri Lankan naval officers are the correct "active" responses to counter the presence of external naval powers in the Palk Strait.

B] Hardeep Singh Puri: The "Proactive Realism" Perspective

- **Core View:** He argues that the "China Card" is a persistent reality in South Asian diplomacy. Neighbors will use it to extract better deals from India.
- **"Silent Democracy" vs. Active Engagement:** Puri suggests that India's past policy of "quiet diplomacy" was often mistaken for weakness. India must be "unapologetically active" in its neighborhood—as seen during the 2022 economic crisis when India acted without waiting for the IMF or China.
- **Outcome:** India should not be deterred by Sri Lanka's periodic tilts toward Beijing but should instead make the **"Cost of ignoring India"** too high through deep economic and energy

integration.

C] *C. Raja Mohan: The "Sub-Regionalism" Perspective*

- **BIMSTEC over SAARC:** He argues that since SAARC is held hostage by Pakistan, **BIMSTEC** is the ideal platform for India–Sri Lanka cooperation.
- **Maritime Integration:** He views Sri Lanka not just as a neighbor, but as a "Maritime Hub" for India's southern states (Tamil Nadu, Kerala, Karnataka).
- **2026 Update:** Raja Mohan highlights the **Colombo Security Conclave (CSC)** as the most successful regional security architecture, where India, Sri Lanka, Maldives, and Mauritius cooperate on maritime safety, counter-terrorism, and cyber security.

D] *Shivshankar Menon: The "Internal-External Linkage"*

- **The Ethnic Factor:** Menon emphasizes that India's Sri Lanka policy is always a "bridge" between domestic politics (Tamil Nadu) and national security.
- **The 2026 Shift:** He notes that as of 2026, the relationship has moved from being "Ethnicity-centric" to "Economy-centric," allowing for a more stable and predictable partnership.

E] **S. Jaishankar:** Defines the relationship as "**Neighbourhood First in Action.**" He highlights that India's support during the 2022 crisis proved India is a "dependable partner" compared to those who offer "debt-trap" loans.

Final Conclusion: The "2026 Strategic Reset"

The India-Sri Lanka relationship has survived the turbulent 1980s, the "Hands-off" 1990s, and the "China-tilt" of the 2010s. In 2026, it is defined by "**Connectivity and Credibility.**"

By acting as the "**First Responder**" during the 2022 economic crisis and the "**Stabilizing Anchor**" in the Indian Ocean, India has shifted the narrative from a "Big Brother" to a "**Reliable Partner.**" While the China factor and the Fishermen issue remain structural challenges, the integration of **Power Grids, UPI-based payments, and Port Infrastructures** ensures that the "logic of geography" will continue to favor New Delhi. For the UPSC cycle 2026/27, this relationship is a prime example of India's "**Neighbourhood First**" policy evolving into "**Neighbourhood Integration.**"

Unit – 15

INDIA MALDIVES RELATIONS

1] INTRODUCTION

Certain key drivers of Maldivian foreign policy have stayed consistent over the years. These are its strategic location, small size, and religious identity. Further, given the small population, the nation's foreign policy is closely linked to its internal politics.

In general, the Maldives' relationship with India has been steady since its independence from Britain in 1965. Maldives' political stability is important to India, as it is to other countries in the region. Furthermore, India wants to shield the Maldives from outside influences that could jeopardize its security interests, whether they are state-sponsored or not. The security landscape in the Indian Ocean Region may also shift as a result of these factors. Moreover, India cares about the safety and security of the many Indians who work in the Maldives. Lastly, India wants the security of its companies' investments in the Maldives to continue.

INDIA-MALDIVES RELATIONS

Close Neighbours, Trusted Partners, Shared Future

1 INTRODUCTION

- Maldives' foreign policy is shaped by its strategic location, small size, religious identity and internal politics.
- India and Maldives share a steady and mutually beneficial relationship since the independence of Maldives in 1965.
- India values Maldives' stability and seeks to safeguard it from external influences that could affect regional security.
- India cares for the safety of Indians in Maldives and the security of its investments.

2 A BRIEF OVERVIEW

- Early Diplomatic & Economic Engagement**
India was the first to establish a resident mission in Male (1976). SRI opened in 1972, air services began in 1975. Malé Airport opened with Indian assistance (1978-81). Visa-free travel promotes people-to-people ties.
- Operation Cactus & Security Cooperation**
In 1988, India launched Operation Cactus to thwart a coup attempt, restoring the democratically elected government. India remains a key security partner.
- Maritime & Territorial Understanding**
The 1976 Maritime Agreement with Sri Lanka and Maldives established boundaries based on the Median Line principle. Minicoy issue (1992) was resolved amicably.
- Humanitarian Assistance & Disaster Relief**
India was among the first responders during the 2004 tsunami, providing relief materials, medical aid and rebuilding support.
- Strategic Importance & "India First" Policy**
India was among the first responders during the 2004 tsunami, providing relief materials, medical aid and rebuilding support.
- Recent Developments & Infrastructure Cooperation**
India extended \$500 million LoC for infrastructure projects, including Greater Male Connectivity Project. Defence and maritime cooperation remain strong pillars.

3 THE SPIRAL OF DOMESTIC AND FOREIGN REALM

1 The Gayoom Era (1978-2008)

Ambivalent Strategic Hedging

- Centralized single party government under President Maumoon Abdul Gayoom.
- India secured security (Operation Cactus, 1988) but no exclusive strategic privileges were given.
- Ties with China began in 1985 to reduce dependence on India.

2 The Nasheed Presidency (2008-2012)

The "India First" Doctrine

- Multi-party democracy under President Mohamed Nasheed (MDF).
- "India First" policy coastal radars in 26 atolls, training for MMDF.
- Opposition backlash over sovereignty concerns (GMR airport deal) led to his resignation in 2012.

3 Waheed & Yameen Regimes (2012-2018)

Aggressive Pro-China Tilt

- Conservative & nationalist factions; strong anti-India sentiments.
- Terminated GMR deal; closer alignment with China.
- Joined China's Maritime Silk Road & AIB.
- Major Chinese projects: Sincere Bridge, Velana Airport expansion.

4 The Sothi Presidency (2018-2023)

Democratic Resurgence & Consolidation

- Return to democracy under President Ibrahim Solih (MSP).
- Restored "India First" policy; froze FTA with China.
- India provided \$1.4 billion assistance, \$500 million GMR project & \$60+ HICoPs.

5 The Mulazzam Era (2023-Present)

From Rhetoric to "Pragmatic Reset"

- "India Out" campaign; demanded withdrawal of Indian military personnel.
- May 2024: Military replaced by Indian civilian experts.
- Oct 2024: Signed "Vision for Comprehensive Economic & Maritime Security Partnership".
- July 2025: \$658M LoC & \$40M currency swap by India.
- May 2026: FTA talks to be completed by 2026; UPI, RuPay operational; key projects operational.

KEY TAKEAWAY
Maldives' foreign policy oscillates between "India First" pragmatism and Pro-China hedging, depending on domestic political leadership and public sentiment.

4 AREAS OF COOPERATION AND COMBUST

- A Trade Relations**
India is one of Maldives' largest trading partners.
- B Developmental Cooperation**
Infrastructure, housing, health, education, water & sanitation.
- C Cultural & People-to-People Relations**
Shared language, culture, ties strengthened by tourism & exchanges.
- D Tourism Cooperation**
Indians form the largest group of tourists to Maldives.
- E Human Resource Development**
Training, scholarships, capacity building & skill development.
- F Fishermen Issue & Maritime Security**
Fishing rights, Poaching, SAR operations & maritime domain awareness.

5 ENERGY AND CONNECTIVITY

- Energy Security**
India ensures reliable energy supplies for Maldives.
- Renewable Energy**
Joint projects on solar, wind and hydrogen initiatives.
- Petroleum**
Supply of essential petroleum products to Maldives.
- Physical Connectivity**
Greater Male Connectivity Project (bridge), air, sea and digital links strengthening integration.

7 THE SRI LANKAN ECONOMIC CRISIS (2022-PRESENT)

- A India's "First Responder" Role**
Provided \$4 billion assistance: credit lines, force support, food, medicines & cash support.
- B Debt Restructuring**
Supported IMF programme and sustainable debt management & structural reforms.
- C Shift in Public Perception**
From suspicion to people recognize India as a reliable and true partner.

8 SCHOLARLY PERSPECTIVE ON INDIA-MALDIVES RELATIONS

- A Realist Perspective**
India is a real security provider ensuring stability in its maritime neighbourhood.
- B Liberal Perspective**
Focuses on economic interdependence, connectivity and mutual development.
- C Constructivist Perspective**
Shared history, culture, people-to-people ties & identity-based connections.

4 CONCLUSION
India and Maldives share a deep-rooted relationship based on trust, geography and shared interests. Despite political fluctuations, cooperation in security, development, connectivity and people-to-people relations remains the cornerstone of this enduring partnership.

2] A Brief Overview

Early Diplomatic and Economic Engagement

In 1976, India became the first nation to establish a resident mission in Malé. As several Maldivian students arrived in India to study as part of the Colombo Plan in the 1960s, the friendship between India and the Maldives began to strengthen. In Malé, a branch of the State Bank of India opened its doors in 1974, and in 1975, air service started. The International Airport Authority of India won a worldwide competition in 1978 to modernize and extend the runway at Hulhule Airport. The work was completed in 1981. Additionally, both nations agreed to do away with the requirement for visas for travel between them. India has also been offering technological support in a number of areas upon request from the Maldivian government.

Operation Cactus and Security Cooperation

In 1988, India launched Operation Cactus to thwart a coup attempt against then Maldivian President Maumoon Abdul Gayoom, sending paratroopers to restore the democratically elected government. This military intervention cemented India's role as a primary security guarantor for the Maldives.

Maritime and Territorial Issues

A minor disagreement arose in July 1982 between India and the Maldives on Minicoy Island. The Maldives later stressed, nevertheless, that it was merely discussing cultural resemblance and was not

asserting any political claim over Minicoy. The Maldives, Sri Lanka, and India signed a Maritime Agreement in 1976 to establish their respective jurisdictional boundaries in the territorial waters based on the Median Line principle.

Humanitarian Assistance and Disaster Relief

During the 2004 Indian Ocean tsunami, India was among the first responders to provide humanitarian aid, relief materials, and medical assistance to the Maldives. This further strengthened bilateral goodwill.

Strategic Importance and the "India First" Policy

For the Maldives, the "India First" policy, which emphasizes the value of its relationship with its bigger and more powerful neighbour, has influenced its mentality. Since the Maldives is located close to India's west coast and guards important sea lanes of communication, such as the Gulf of Aden, the Gulf of Oman, and the Strait of Malacca—which are vital to both the country's economic interests and global marine trade, transporting a significant amount of India's external commerce and energy imports—India also acknowledges the strategic importance of the Maldives. The connection between India and the Maldives becomes even more significant as a result of India's prioritization of regional peace and security in light of the growing maritime activities in the Indian Ocean.

Recent Developments and Infrastructure Cooperation

In recent years, India has extended financial assistance through a \$500 million credit line for infrastructure projects, including the Greater Malé Connectivity Project. Despite periodic political fluctuations, defence and maritime cooperation remain the anchors of the bilateral relationship.

3] The Spiral of Domestic and Foreign Realm

The diplomatic trajectory of the Maldives highlights a profound structural reality: Maldivian foreign policy is heavily subverted by its volatile domestic political cycles. For a small island developing state (SIDS) positioned at the strategic crossroads of the Indian Ocean, foreign policy often oscillates between **"India First" pragmatism** and **Nationalist/Pro-China hedging**, depending on which domestic faction holds the capital, Malé.

A Historical Timeline of the Domestic–Foreign Nexus

1. The Gayoom Era (1978–2008): Ambivalent Strategic Hedging

- **Domestic Dynamic:** A highly centralized, single-party executive presidency under Maumoon Abdul Gayoom.
- **Foreign Policy Shift:** Strategic ambivalence. While India acted as a robust security guarantor by launching **Operation Cactus (1988)** to foil a mercenary-led coup against Gayoom, the Maldivian state avoided granting India any exclusive strategic privileges.

- **The China Entry:** To reduce absolute dependence on New Delhi, Gayoom initiated ties with Beijing, opening the Maldivian market to Chinese project-contracting firms as early as 1985. This laid the initial groundwork for Beijing's entry into the central Indian Ocean.

2. The Nasheed Presidency (2008–2012): The "India First" Doctrine

- **Domestic Dynamic:** The transition to a multi-party democracy brought Mohamed Nasheed's pro-democratic Maldivian Democratic Party (MDP) to power.
- **Foreign Policy Shift:** Institutionalization of an explicit "**India First**" policy. Nasheed aligned Malé closely with New Delhi's maritime security architecture, permitting the installation of Indian coastal radars across 26 atolls and deepening Maldivian National Defence Force (MNDF) training with the Indian military.
- **Domestic Backlash:** Nasheed's political opposition leveraged nationalist sentiments, accusing his government of undermining sovereignty by bypassing the *People's Majlis* (Parliament) to award massive infrastructure projects (such as the GMR airport deal) to Indian entities. This friction eventually culminated in his forced resignation in 2012.

3. The Waheed & Yameen Regimes (2012–2018): Aggressive Pro-China Tilt

- **Domestic Dynamic:** A coalition of conservative and nationalist factions under Mohammed Waheed, followed by the authoritarian presidency of Abdulla Yameen (PPM). Yameen's

domestic platform strongly emphasized conservative Sunni Islamic identity and anti-interventionist nationalism.

- **Foreign Policy Shift:** Deep strategic alignment with Beijing and vocal antagonism toward New Delhi. The Waheed administration arbitrarily terminated the Indian GMR airport contract, causing severe diplomatic strain.
- **The Belt and Road Initiative (BRI) Era:** Under Yameen, the relationship with China witnessed a structural transformation following President Xi Jinping's historic visit in 2014. The Maldives formally joined China's **Maritime Silk Road** and the **Asian Infrastructure Investment Bank (AIIB)**, greenlighting massive, debt-driven mega-projects including:
 - The **Sinamalé Bridge** (China-Maldives Friendship Bridge linking Malé to Hulhulé).
 - The expansion of the Velana International Airport.
- **Counter-Balancing:** India attempted to retain institutional leverage through soft-power diplomacy, notably utilizing the Indian Space Research Organisation (ISRO) to assist in launching a Maldivian communications satellite, alongside high-level diplomatic outreach by EAM Sushma Swaraj in 2015.

4. The Solih Presidency (2018–2023): Democratic Resurgence & Consolidation

- **Domestic Dynamic:** Ibrahim Mohamed Solih (MDP) assumed office, steering the domestic narrative back toward democratic governance and institutional transparency.

- **Foreign Policy Shift:** Restoration of the "India First" approach. Solih immediately froze the Free Trade Agreement (FTA) with Beijing and focused on addressing the country's massive Chinese debt vulnerabilities.
- **Developmental Partnership:** New Delhi backed this diplomatic shift with unprecedented financial and infrastructural packages, executing:
 - A **USD 1.4 billion economic assistance package** for budgetary and debt support.
 - The landmark **USD 500 million Greater Malé Connectivity Project (GMCP)** (a 6.74 km bridge/causeway network).
 - Over 50 **High-Impact Community Development Projects (HICDPs)** covering public utilities across dozens of islands.

5. The Muizzu Era (2023–Present): From Rhetoric to "Pragmatic Reset"

- **Domestic Dynamic:** Dr. Mohamed Muizzu (PNC) won the 2023 presidential election on the back of a highly polarized, opposition-led **"India Out" campaign**, which targeted the presence of Indian military personnel.
- **Foreign Policy Shift (Initial Phase):** Upon taking office, Muizzu pivoted toward a "Maldives First" policy, demanding the absolute repatriation of Indian military personnel operating two advanced HAL Dhruv helicopters and a Dornier aircraft used for maritime surveillance and medical evacuations (MEDEVAC).

- **The Geopolitical Correction (2024–2026):** Moving past election campaign rhetoric, the realities of "**Geographic Realism**" and fiscal distress forced a major diplomatic recalibration between late 2024 and 2026.

The structural turning points:

1. The Military-to-Civilian Compromise (May 2024)

Through four rounds of the **India-Maldives High-Level Core Group**, both nations avoided a strategic rupture. By May 2024, all 76 active Indian military personnel were smoothly replaced by **competent Indian civilian technical experts**. This effectively defused Muizzu's domestic political vulnerability while ensuring the continuous, unhindered operation of India's aviation and maritime surveillance assets.

2. The Joint Vision Document (October 2024)

During President Muizzu's state visit to New Delhi, both nations signed a historic framework: "**India-Maldives: A Vision for Comprehensive Economic and Maritime Security Partnership**." This document effectively institutionalized security ties, ensuring that controversial defense projects opposed by Muizzu while in opposition—such as the **Uthuru Thila Falhu (Ekatha) naval harbor**—would continue under Indian assistance.

3. Financial Lifelines and Sovereign Debt Stabilization (2025–2026)

Faced with a crippling foreign exchange crisis and a public debt exceeding 115% of its GDP, Malé realized Beijing's infrastructure

loans lacked flexible restructuring terms. India stepped in as the **"First Responder"**:

- New Delhi extended an **INR 4,850 crore (USD 565 million) Line of Credit** during Prime Minister Modi's historic visit to Malé in July 2025.
- The Reserve Bank of India executed a crucial **USD 400 million + INR 30 billion currency swap agreement** under the SAARC framework, successfully shielding the Maldives from a catastrophic sovereign default.

4. Deep Economic & Institutional Integration (2026)

The relationship is moving beyond traditional transactional diplomacy into deep structural integration:

- **Bilateral FTA:** In May 2026, Maldivian Foreign Minister Iruthisham Adam announced that both nations are actively fast-tracking negotiations to implement a **comprehensive Free Trade Agreement (FTA) by the end of 2026.**
- **Digital Public Infrastructure (DPI):** The operationalization of India's **Unified Payments Interface (UPI)** and RuPay cards in the Maldives has anchored its tourism sector, directly linking the two economies.
- **Critical Infrastructure Deliverables:** Landmark bilateral projects, including the modernized **Hanimaadhoo International Airport runway** and major housing units under India's EXIM bank facility, have successfully transitioned from construction to operational phases.

4] Conclusion

The diplomatic history of the Maldives proves a simple truth: while regimes change with elections, geography is permanent. President Muizzu's shift from "India Out" to "Strategic Balancing" confirms that no Maldivian leader can afford a rupture with New Delhi.

India's swift assistance during the 2025–2026 fiscal crisis—through currency swaps and debt relief—reaffirmed that when Malé faces collapse, India remains its most reliable first responder.

As a Small Island Developing State, the Maldives must constantly balance competing powers. China offers infrastructure capital under the Maritime Silk Road. India provides maritime security (Colombo Security Conclave), digital transformation (UPI integration), tourism, food security, and emergency medical support.

To break the cycle of election-driven volatility, India has shifted toward deep structural integration—fast-tracking an FTA, expanding High-Impact Community Development Projects, and institutionalising the 2024 Joint Vision Document. These steps make bypassing India economically and strategically costly for any future regime.

Ultimately, India's approach must be guided by proactive realism and strategic patience. Instead of reacting to Malé's periodic hedging toward Beijing, India should leverage its unmatched geographic proximity and civilisational ties. By

turning "Neighbourhood First" into tangible outcomes in economic and digital infrastructure, India can ensure the central Indian Ocean remains a zone of shared growth and regional stability under Vision SAGAR.

Unit – 16

INDIA AFGHANISTAN RELATIONS



Introduction

India's historical and civilizational links with Afghanistan go back centuries, rooted in shared culture and trade. Since 1947, both countries have maintained friendly relations, which were further strengthened by the signing of the Friendship Treaty in 1950. India's engagement with Afghanistan has been shaped by three key factors: first, managing a balance between its relations with Pakistan and Afghanistan; second, domestic political changes and the preferences of Afghan political parties; and third, shifts in the international political

environment.

Evolution of India-Afghanistan Relations

The historical analysis of modern relations between New Delhi and Kabul can be divided into four phases based on the level of collaboration.

INDIA-AFGHANISTAN RELATIONS

Ancient Civilizational Ties, Enduring Friendship

1 INTRODUCTION

- India's historical and civilizational links with Afghanistan go back centuries, rooted in shared culture and trade.
- Since 1947, both countries have maintained friendly relations, further strengthened by the Friendship Treaty in 1950.
- India's engagement is shaped by three key factors: balancing ties with Pakistan, Afghan domestic politics, and shifts in the international environment.
- India values Afghanistan's stability for regional security, the safety of Indians in Afghanistan, and the protection of India's investments.
- Our bond is built on trust, respect and mutual aspirations for peace and progress.



3 THE SPIRAL OF DOMESTIC AND FOREIGN REALM

How Domestic Politics in Maldives Shapes Foreign Policy Choices



4 AREAS OF COOPERATION

Development & Infrastructure	Trade & Economic Cooperation	Capacity Building & Education	Security & Defence Cooperation	People-to-People & Cultural Ties	Humanitarian Assistance
- Roads, dams, schools, hospitals, parliament building - Power lines, airports & housing projects - Over 500+ projects completed	- Preferential Trade Agreement (2003) - Duty concessions on 38 Afghan exports - Expanding trade, investment & business ties	- Scholarships for Afghan students (14,000+ as of 2023) - Training of diplomats, civil servants, police & professionals	- Training, equipment, helicopters (Mi-35) - Support for Afghan National Defence & Security Forces - Counter-terrorism cooperation	- Shared history, languages, customs, and traditions - Strong societal goodwill & cultural exchanges	- Tsunami (2004), earthquake relief - COVID-19 vaccines, wheat & medicines - Always a "First Responder"

6 CHALLENGES

- Pakistan's continued interference & "strategic depth"
- Instability & governance challenges in Afghanistan
- Terrorism, extremism and security threats
- Shifting regional & global geopolitics

2 EVOLUTION OF INDIA-AFGHANISTAN RELATIONS

A 1947-1991 | Building Foundations

- Close ties based on shared interests and concerns over Pakistan's policies.
- India maintained neutrality during the Soviet intervention (1979-1989) due to Cold War politics.
- Laid the foundation of enduring friendship.

B 1991-2001 | Challenges and Limited Influence

- Rise of Mujahideen and later Taliban regime (1996) reduced India's influence.
- India supported the Northern Alliance and engaged with Russia, Iran & Central Asian States.
- Pakistan's "strategic depth" policy in Afghanistan created challenges, including on Kashmir front.

C 2001-2014 | Partnership and Reconstruction

- Post 9/11, India emerged as a leading development partner of Afghanistan.
- Over \$3 billion assistance since 2001 in infrastructure, capacity building, health, education & governance.
- Major projects: Zaranj-Delaram road, Salma Dam, Parliament Building, Kabul-Pule Khumri power line.
- 2011: Strategic Partnership Agreement (SPA) signed.

D 2014-2021 | Deepening Strategic Partnership

- Continued focus on development, connectivity and capacity building.
- High-level visits, defence cooperation & people-to-people ties strengthened.
- 2016: PM Modi visited Herat; strong political trust and civilizational connect reaffirmed.

E 2021-Present | Engagement Amid Change

- After Taliban takeover in Aug 2021, India focused on humanitarian aid, development & people-centric approach.
- Evacuated 100s of citizens (Operation Devi Shakti).
- Sent vaccines, wheat, relief supplies & pledged development assistance of \$200 crore (Feb 2023).
- May 2023: EAM S. Jaishankar held first ministerial-level call with Afghan FM Amir Khan Muttaqi since 1999.



5 KEY GUIDING PRINCIPLES

- Mutual Respect & Sovereignty**: Respect for each other's independence, territorial integrity and sovereignty.
- Non-Interference**: Respect for Afghanistan's internal affairs and choices.
- Development Partnership**: Focus on capacity building, infrastructure, trade and human development.
- Regional Peace & Stability**: Commitment to a peaceful, stable and prosperous Afghanistan.

7 CONCLUSION

India-Afghanistan relations have withstood the test of time and geopolitical shifts. Guided by trust, respect and shared aspirations, India remains committed to a peaceful, stable and prosperous Afghanistan for the benefit of both nations and the wider region.

"Watan ham-asaaye kaa hai, aman usi se hai, Hum saath chalen, toh koi behtar hoga."

— Together for Peace, Progress and Prosperity

A] From 1947 to 1991

The first phase began with India's independence in 1947 and lasted until the end of the Cold War. Delhi and Kabul grew closer as a result of territorial issues between Afghanistan and Pakistan, particularly those related to Pashtunistan and the Durand Line. India and Afghanistan had cordial ties throughout this period, with the exception of the Soviet involvement from 1979 to 1989. India adopted a neutral stance on Soviet intervention due to its unique connection with the Soviet Union and the logic of Cold War politics, which hurt India's reputation with both the Afghans and the West.

B] From 1991 to 2001

The second phase started in 1991 with the end of the Cold War and continued until the Taliban rule was overthrown in 2001. The first instance of diplomatic isolation and a reduction in Indian influence in Afghanistan occurred as a result of several events—the rise of the Afghan Mujahideen against the Soviet invasion, the withdrawal of Soviet troops, the dissolution of the Soviet Union in 1991, and the formation of a government by the Mujahideen after they overthrew the pro-Soviet regime of Najibullah in April 1992. India had friendly relations with the overthrown pro-Soviet government of Najibullah. India's sway changed over time, briefly increasing under Burhanuddin Rabbani's administration from 1992 to 1996.

However, Islamabad's influence in Afghanistan surpassed that of New Delhi when the Taliban administration, backed by Pakistan, came to

power in 1996. During this time, India also started supporting the Northern Alliance, a resistance organization against the Taliban, made up primarily of Tajiks, Uzbeks, and Hazaras.

Pakistan's security establishment used the space that India had cleared on both occasions to advance its "strategic depth" policy, which has led Islamabad to view Afghanistan as its backyard. In the second stage, Pakistan's "deep state" presented India with more difficulties on the Kashmir front as well. As underlined by Ayesha Jalal, "The tactic of pushing battle-hardened militants from Afghanistan across the LoC to wage a low-intensity war against Indian security forces in Kashmir was designed to keep the subcontinent's most contentious dispute in the international gaze."

India's Research and Analysis Wing (RAW) contributed \$10 million worth of high-altitude warfare equipment to the Northern Alliance's defence. In addition, Indian doctors assisted the Alliance with medical care in a hospital they had built in Farkhor, near the border between Afghanistan and Tajikistan. Additionally, India used facilities in Tajikistan and Uzbekistan to conduct operations against the Taliban.

India also took advantage of Russia's and Iran's anti-Taliban stance to strengthen ties with these nations and to expand its connections with the Central Asian states. As defined by Mr. J. N. Dixit in his book, "India, in cooperation with all like-minded countries, should resist the coercive propagation of any kind of religious, social, or ethnic extremism which can profoundly destabilise Afghanistan's Asian neighbours ... An early solution to the Afghanistan crisis is critical for realising the enormous opportunities for energy and economic co-operation in the Eurasian region."

C] Post 9/11

The third phase began with the toppling of the Taliban regime in 2001. India saw a silver lining in the wake of 9/11 when the US launched a worldwide fight against terrorism and launched an operation against the Taliban regime in November 2001, giving India a chance to regain influence in Afghanistan. India has been the dominant regional force, contributing to the establishment of institutions in Afghanistan. New Delhi has given Kabul

\$2 billion in economic help since 2001 and promised to give Kabul an additional \$1 billion over the next few years. Afghanistan has been ravaged by decades of conflict and instability; therefore, New Delhi has supported the growth of democratic institutions there because it believes that Afghanistan's stability is crucial for India's own security.

As part of its support for the new arrangement, India announced \$100 million in reconstruction aid to Afghanistan following the Bonn Conference in December 2001, which established an interim government in Afghanistan with Mr. Hamid Karzai as interim president, primarily manned by representatives of the Northern Alliance. Since then, India has contributed to the bulk of Afghanistan's infrastructure development, humanitarian relief, and training initiatives. Indian efforts to regain influence in Afghanistan after 9/11 were mostly concentrated on three areas: playing a significant role in the country's economic growth and reconstruction; establishing connections with Central Asian states; and trying to lessen Pakistan's influence in the region.

The 280-kilometre critical route in Afghanistan, which connects Zaranj town on the border with Iran to the town of Delaram in Herat province along the Kandahar-Herat highway, is one of India's largest infrastructure construction projects. India has also contributed to the rehabilitation of the Salma Dam power facility in Afghanistan's Herat province. It entails building power transmission lines from Salma Dam (also known as the Afghan-India Friendship Dam) to Herat city and will produce 42 MW of electricity. In addition, India is building a 220 kV double circuit transmission line that will connect Kabul to Pul-e-Khumri. It will supply electricity to Kabul from the Timriz power project in Uzbekistan. India is also involved in developing the mining sector in Afghanistan.

During the visit of Afghan President Hamid Karzai to India in March 2003, India and Afghanistan signed a Preferential Trade Agreement, under which 38 items that Afghanistan exports to India have been given 100 per cent tariff concessions. Harsh Pant evaluates that India has a fundamental interest in ensuring that Afghanistan emerges as a stable and economically integrated state in the region. For this, India signed the preferential trade agreement with Afghanistan, giving substantial duty concessions to certain categories of goods entering India. During the visit to Afghanistan of Indian Prime Minister Manmohan Singh in August 2005, India and Afghanistan signed two Memoranda of Understanding (MoUs) and an Agreement for Cooperation.

During his visit to India in October 2011, Afghanistan's President Hamid Karzai signed the Strategic Partnership Agreement (SPA), which established a legal framework for political and economic cooperation.

In terms of Afghanistan's strategic development and India's "extended neighbourhood" policy, which highlights the need to expand Indian influence outside South Asia, the years 2011 to 2014 saw a strengthening of bilateral relations between the two countries through the SPA.

D] Post 2014

Abdullah Abdullah, CEO of Afghanistan, visited India in March 2015, during which he also participated in a conference organized by India Today. Acknowledging India as Afghanistan's most generous supporter, he said that "India ought to look at Afghanistan as a permanent friend."

Two of India's most significant projects in Afghanistan were unveiled by Modi in December 2015: the opening of the Afghan parliament building and the ceremony to transfer four Mi-25 assault helicopters. Under Modi's leadership, India started to move beyond its prior reluctance to provide Afghanistan with only non-lethal aid like transport trucks and training. According to the joint statement, it was "agreed that groups and individuals that perpetrate violence on the people of Afghanistan and challenge, by use of violence and terror, the Government of Afghanistan cannot be allowed to exercise control or wield influence over any part of Afghanistan's territory in any manner whatsoever."

Modi visited Herat in western Afghanistan in June 2016 and jointly inaugurated with Ghani the Afghan-India Friendship Dam, earlier known as the Salma Dam. It was his second Afghan visit in a span of six months. Stressing India's commitment to Afghan peace and

development, Modi said, "India will not forget you or turn away... Your friendship is our honour; your dreams are our duty." The importance of Indo-Afghan ties was further underlined by Afghanistan's decision to award Modi its highest civilian honour, the Amir Amanullah Khan Award.

E] Post 2021

In 2021, the Taliban declared the Islamic Emirate of Afghanistan following the US withdrawal from the country. After the majority of Afghanistan was taken over by August 2021, dozens of refugees from that country landed in India. A new visa category was introduced to expedite applications for Afghan nationals wishing to enter India after the Taliban returned. Operation Devi Shakti was the codename given to the evacuation.

In mid-2022, India sent a "technical team" to the Afghan capital to reestablish diplomatic ties.

India supplied 500,000 doses of the COVID-19 vaccine to Afghanistan as part of humanitarian help for the country's citizens, even after the Taliban took power in January 2022. Subsequently, India sent 50 trucks to Afghanistan with 2,500 metric tonnes of wheat as humanitarian help. Twenty-seven tonnes of essential relief supplies were then delivered to the Afghan people in the wake of the 5.9-magnitude earthquake. India pledged to provide Afghanistan with development assistance worth Rs 200 crore in February 2023. India declared in March 2023 that it would use Iran's Chabahar Port to transport 20,000 tonnes of wheat to Afghanistan.

Approximately 14,000 Afghan students were enrolled at Indian universities as of 2023, receiving financial aid from organizations such as the Indian Council for Cultural Relations (ICCR).

India recently participated in a meeting of diplomatic representatives from ten countries as part of the Regional Cooperation Initiative, which was called by the Taliban administration in Kabul. This indicates that the two sides are becoming more engaged, which is surprising considering that New Delhi still does not formally recognize the regime.

In recent developments, India's External Affairs Minister S. Jaishankar held a telephone conversation with Afghanistan's acting Foreign Minister, Amir Khan Muttaqi (May 2025), marking the first ministerial-level contact between India and the Taliban since 1999. Notably, the Taliban condemned the terrorist attack in Pahalgam on April 22, 2025.

3] Significance of Afghanistan: The Crux of the New Great Game

Afghanistan must be analyzed through the lens of **structural realism** and the "**New Great Game.**" Its unique position as the "Crossroads of Eurasia" makes its internal stability a critical variable for regional and global powers.

The contemporary realities of the post-2021 Taliban 2.0 regime, the impact of the Ukraine war on regional dynamics, and India's altered strategic approach.

A] United States: Strategic Retrenchment and Shifting Priorities

- **The Containment Doctrine:** Historically, the US footprint in Afghanistan served as a forward listening post to monitor a resurgent Russia, contain an expanding China, and keep pressure on an antagonistic Iran.
- **The Shadow Economy:** While access to Afghanistan's unexploited mineral wealth (particularly lithium and rare earth elements estimated at over \$1 trillion) and control over the illicit opium trade were significant secondary economic variables, the core driver was strategic dominance. Under the US-backed regime, opium production paradoxically surged, whereas the Taliban has implemented strict domestic crackdowns on cultivation post-2021.
- **The "America First" Pivot:** The Doha Accords and the subsequent absolute military withdrawal under the Biden administration marked a shift from global policing to Indo-Pacific containment (the *Pivot to Asia*). The retrenchment from Kabul indicates a relative decline in US willingness to sustain asymmetric nation-building, transforming Afghanistan from a primary theater of direct US intervention into a secondary theater of counter-terrorism monitoring via "over-the-horizon" capabilities.

B] Russia: Securing the "Near Abroad"

- **The Soft Underbelly:** Moscow views Central Asia as its traditional sphere of influence and its strategic "**near abroad.**" An unstable Afghanistan acts as a conduit for religious radicalism, arms smuggling, and narcotics into Central Asian republics (like

Tajikistan and Uzbekistan), which could destabilize Russia's sensitive Caucasus region.

- **Geo-Economic Monopoly:** Historically, Russia maintained an energy transit monopoly over Central Asian oil and gas pipelines heading to Europe. While the Ukraine war has reoriented Russia's energy flows eastward, Moscow still demands a stable, non-hostile government in Kabul that prevents Western military footprints from returning to its periphery. Consequently, Russia maintains a pragmatic diplomatic channel with the Taliban.

C] China: Strategic Expansion and Internal Security

- **Eurasian Pivot:** With the US constraining China's maritime boundaries along the First and Second Island Chains in the Indo-Pacific, Beijing looks toward the Eurasian landmass for resistance-free expansion. Afghanistan is a critical, albeit volatile, bridge for China's **Belt and Road Initiative (BRI)**, specifically through potential extensions of the China-Pakistan Economic Corridor (CPEC).
- **The Xinjiang Vulnerability:** Beijing's primary redline is internal security. It fears that a lawless Afghanistan will become a sanctuary for the **East Turkestan Islamic Movement (ETIM)** and Uighur militants targeting China's Xinjiang province across the narrow Wakhan Corridor. China's strategy is strictly transactional: offering diplomatic legitimacy and economic investments in Afghan copper and oil fields in exchange for strict anti-terror assurances from Kabul.

D] Iran: Pragmatic Sectarian and Security Balancing

- **Sectarian and Ideological Checks:** As a Shia-majority theocracy,

Tehran is naturally wary of a Sunni-orthodox, fundamentalist regime like the Taliban. Iran seeks to protect the vulnerable Shia Hazara minority in Afghanistan and fiercely opposes any government in Kabul that acts as a proxy for its regional rival, Saudi Arabia.

- **Geopolitics of Convenience:** Despite deep ideological differences, Iran shares a long-standing anti-US consensus with the Taliban. Post-US withdrawal, Iran has adopted an intensely pragmatic stance, focusing on cross-border water-sharing agreements (concerning the Helmand River), managing Afghan refugee inflows, and ensuring that transnational Sunni terrorist groups like ISIS-K (Islamic State–Khorasan) do not use Afghan soil to strike Iranian territory.

E] Pakistan: The Doctrine of Strategic Depth and the Pashtun Dilemma

- **The Quest for Strategic Depth:** Pakistan's military establishment has historically viewed Afghanistan through an India-centric prism. Islamabad seeks a pliable, pro-Pakistan regime in Kabul to secure its western border, thereby allowing its military to focus entirely on its eastern border with India. It views any Indian developmental or diplomatic presence in Afghanistan with immense anxiety.
- **The Durand Line and Pashtun Nationalism:** The core structural conflict between Kabul and Islamabad is the **Durand Line**, the artificial colonial boundary that bisects the Pashtun ethnic homeland. No Afghan government—including the Taliban—has ever formally recognized the Durand Line. The existential dread for Pakistan is the resurgence of "**Greater**

Pashtunistan" nationalism, which threatens the territorial integrity of Pakistan's Khyber Pakhtunkhwa province.

- **The Blowback:** Pakistan's policy of supporting the Taliban to secure strategic depth has faced severe blowback. The rise of the **Tehreek-e-Taliban Pakistan (TTP)**, operating from safe havens inside Afghanistan, has led to a violent surge in domestic terror attacks within Pakistan, turning its western border into a active security threat rather than a strategic asset.

F] India: Strategic Vulnerability and the Shift to Pragmatic Engagement

- **The Historical Security Frontier:** As noted by strategic thinkers, Afghanistan is central to India's continental security; historically, subcontinental invasions entered through the Hindu Kush and Khyber passes. India's core objective is to prevent Afghanistan from degenerating into a safe haven for anti-India proxy outfits like Lashkar-e-Taiba (LeT) and Jaish-e-Mohammed (JeM).
- **The Kashmiri Asymmetry:** In the realm of proxy warfare, Pakistan and India have long viewed Afghanistan as a **zero-sum game**. Historically, Indian strategic thought considered a friendly presence in Afghanistan essential to pin Pakistan down on its western flank, thereby relieving kinetic pressure on Jammu and Kashmir. However, viewing Afghanistan purely as a proxy battlefield creates a cycle of instability.
- **The Modern Transition (Taliban 2.0 Realities):** Following the fall of Kabul in 2021, India shifted from an "ideological avoidance" of

the Taliban to "**functional and pragmatic engagement.**" Moving away from the historic idea of stationing troops or treating it purely as a proxy war theater, India's modern policy focuses on:

1. **Technical Presence:** India re-established a diplomatic technical team in Kabul to oversee its extensive development footprint (having invested over \$3 billion in projects like the Salma Dam and the Afghan Parliament).
2. **Humanitarian Diplomacy:** Providing wheat, medical aid, and vaccines directly to the Afghan people, bypassing the political regime to build long-term, non-reciprocal goodwill ("soft power").
3. **Strategic Autonomy and Access:** Maintaining ties with Kabul ensures that India preserves a degree of geopolitical leverage, keeps an eye on the Pakistan-Taliban friction, and protects its long-term connectivity goals to Central Asia via Iran's **Chabahar Port**, bypassing an uncooperative Pakistan.

4] Conclusion

The diplomatic trajectory of India–Afghanistan relations highlights a profound and enduring structural reality: Afghanistan remains the continental pivot for India's geopolitical ambitions and national security framework. Over the decades, New Delhi's policy has evolved from a state-centric, ideological alignment with democratic regimes to a strategy of "**Strategic Patience**" and "**Pragmatic Realism**" following the return of the Taliban. The future of this vital bilateral relationship will not be

dictated by political transitions alone, but by the complex interplay of ongoing regional security dilemmas, the changing economic landscape of Kabul, and India's overriding priority to insulate its borders from cross-border terrorism.

If Afghanistan can achieve internal stability and resist becoming a breeding ground for regional proxies, it holds the potential to transition from a geopolitical "shatterbelt" into a vibrant **land-bridge connecting South Asia with resource-rich Central Asia**. For India, maintaining an active, non-reciprocal humanitarian and economic presence ensures that it retains vital strategic leverage in the Eurasian heartland. Ultimately, the future of Indo-Afghan relations will depend on the collective capacity of regional stakeholders to replace the traditional zero-sum proxy warfare with a cooperative framework that prioritizes economic integration—such as utilizing Iran's **Chabahar Port** and transnational trade corridors—thereby anchoring Afghanistan's destiny to regional prosperity rather than perpetual conflict.

Unit - 17

India-China Relations

1] History of India-China Relations



India and China are amongst the oldest civilizations in the world, and their relations go back to ancient times. Trade routes existed between the two geographies. These routes were also used by

travellers like Fa Hien, Sung Yun, Hsuan-Tsang, and I-Tsung from China, and ancient Indian travellers like Kumarajiva, Jinagupta, Jinbhadra, and Bodhidharma.

In the modern period, both nations became free from the influence of European powers around the same time. While independent India was established in 1947, modern China took birth in 1949. Over a period of more than seven decades, India-China relations have experienced deep fluctuations, with extended positive and negative phases.

A] India-China Relations Post Independence (1949-1962)

During the early phase of the Cold War, while India chose non-alignment, China chose to remain closer to the Soviet Union. The Indian Prime Minister, who also happened to be the Foreign Minister, considered it in India's interest to befriend China. India was one of the first non-communist countries to recognise the People's Republic of China (December 1949) and also promoted its representation in the United Nations.

When China forcibly occupied Tibet in 1950, India did nothing beyond protesting. In April 1954, both countries signed an agreement concerning trade between India and the "Tibet Region of China". The agreement incorporated the principles of 'Panchsheel', which later became an important set of principles in Indian foreign policy discourse.

The trade agreement was followed by the visit of the Chinese Premier to India (June 1954), and Nehru's visit to Beijing three months later.

The leaders also met a few months later at the Bandung Conference of Afro-Asian nations in April 1955. Together, the two leaders led the dialogue on evolving a common approach for developing countries to deal with the intricacies of international politics in the midst of the Cold War. India consistently championed the cause of China's representation in the UN, as did many other developing countries.

While some analysts criticise Nehru for supporting China's entry into the UN, others argue that Nehru's China policy enabled India to manage peace and tranquility on its north-eastern borders for at least fifteen years. There is also a debate around Nehru sacrificing a permanent seat at the UNSC for India—once in 1950 when offered by the US, and again in 1955 when offered by the USSR. However, this remains a highly politicized issue.

B] 1962 Indo-China War

In the late 1950s, there were contentions between India and China on the border issue and the status of Kashmir. In 1959, there was a Tibetan uprising, and India granted asylum to the Dalai Lama. China raised the border issue, arguing that there had been no border agreement between India and China, and refused to recognise the McMahon Line. It also claimed the Aksai Chin region of Kashmir as an area originally belonging to its Xinjiang province. Further, China reversed its policy and began to challenge Kashmir's accession to India. It regarded Kashmir as a disputed territory and supported the principle of self-determination in Kashmir.

Amidst the Cuban Missile Crisis, on 20 October 1962, the Chinese army invaded disputed territory along the border in Ladakh and

across the McMahon Line in the north-eastern frontier. The Chinese troops pushed Indian forces back in both places, capturing significant disputed territories. A month later, China unilaterally declared a ceasefire and announced withdrawal to pre-war positions, effective as the India-China border (Line of Actual Control).

The war was a blow to India's image as a leader of the developing world. India's non-aligned policy was compromised, and Nehru had to make an appeal to the United States for military assistance. Nehru was criticized for his idealistic foreign policy and failure to defend the country's honour.

C] Developments After the War

After the war, China established close relations with Pakistan and signed a border agreement with it in 1963. It also made Kashmir an issue involving three countries, as Pakistan illegally ceded a part of occupied Kashmir to China. In 1964, China exploded a nuclear device, emboldening Pakistan, which launched its second war against India in 1965.

Then came the 1971 Indo-Pakistan war and the creation of Bangladesh. India also witnessed agricultural and industrial successes and demonstrated its nuclear capability in 1974. All of this changed India's power profile in South Asia. The end of the Vietnam War and the unification of Vietnam in 1975, moreover, ended the first round of intense Cold War and altered the security scenario of the world.

Against the backdrop of all these developments, Prime Minister Indira Gandhi took steps to normalise relations with China. To begin with, full-fledged diplomatic relations were established in 1976. The process continued during the Janata Party rule. Atal Bihari Vajpayee, then Foreign Minister, visited China in 1979 and held dialogues with senior leaders of the Chinese Communist Party.

The 1980s saw several rounds of border talks, where both countries sought to amicably settle the prolonged dispute. Chinese Premier Hua visited India in 1981 and gave a further boost to increased interactions between the two countries. The seventh round of border talks between 1981 and 1986 completely unfroze Sino-Indian relations, although a lasting solution to contentious issues had not yet been reached.

Rajiv Gandhi visited China in 1988—the first prime ministerial visit in 34 years—and it widely opened avenues for high-level exchange of visits by Indian and Chinese leaders. During the visit, both sides set up a Joint Working Group to defuse tension along the borders. The leaders agreed to concentrate on establishing and enhancing cooperation in other areas of mutual benefit, and to separate the border issue from other bilateral issues. Chinese Premier Li Peng visited India in 1991, accelerating the improvement of political relations between the two countries.

India-China relations again turned sour when India carried out a series of nuclear tests in 1998. However, soon India took steps to address Chinese concerns. India assured China that it perceived no threat from it. Official interactions soon picked up and culminated in

the Chinese Premier's five-day official visit to India in 2002.

In 2003, first the Defence Minister Fernandes and then Prime Minister Vajpayee paid highly successful visits to China, where the countries agreed to address border questions with care and caution.

D] India-China Relations in the Last Two Decades

The Cooperative-Competitive Phase (2006–2019): Bilateral trade boomed, making China India's largest trading partner. Informal summits—such as the **Wuhan Summit (2018)** and the **Mamallapuram Summit (2019)**—attempted to establish the "Wuhan Spirit," built on the premise that *"India and China are mutual opportunities, not threats."*

The Galwan Flashpoint (2020) and the Long Standoff: The geopolitical paradigm shattered in May 2020 following violent PLA incursions in Eastern Ladakh (Galwan Valley, Pangong Tso, Depsang, and Demchok). For the first time in 45 years, lethal casualties occurred. External Affairs Minister S. Jaishankar declared that the relationship could not be "de-linked" and that **"peace at the border is a prerequisite for normalcy in the bilateral relationship."**

The 2024–2026 Stabilization Phase: Following over 30 rounds of military (WMCC) and diplomatic talks, a significant breakthrough was achieved in **October 2024**, when both nations reached an agreement on **resuming patrolling rights** along the LAC to the pre-2020 status quo. This paved the way for the **2025–2026 disengagement and buffer-zone management protocols**, bringing a fragile, highly monitored stability back to the Himalayan frontier.

E] How China Sees the World

To decode Beijing's foreign policy calculus, Indian strategists analyze its contemporary international outlook through several core themes:

- **The Backlash to Rise:** China's primary geopolitical dilemma is that the Western liberal order, which economically facilitated its rapid rise post-1978, now explicitly categorizes the PRC as a peer competitor and a systemic threat—a sentiment accelerated globally by the transparency issues surrounding the COVID-19 pandemic.
- **The "Comprehensive National Power" (CNP) Push:** Facing encirclement anxieties in the Indo-Pacific (via the Quad and AUKUS), Beijing is actively attempting to reshape global governance.

It seeks to replace traditional Western monopolies with a state-centric international model, leveraging its permanent UNSC veto power and positioning the United Nations at the absolute core of international law to resist unilateral Western sanctions.

- **Geo-Economic Consolidation:** Having been a primary beneficiary of economic globalization, China strongly defends multilateral trade liberalization where it favors its manufacturing dominance. Through its multi-trillion-dollar **Belt and Road Initiative (BRI)**, the **Global Development Initiative (GDI)**, and the **Global Security Initiative (GSI)**, Beijing aims to build an alternative, China-centric infrastructural, digital, and financial architecture across Eurasia and the Global South.

2] CONTENTIOUS ISSUES IN INDIA-CHINA RELATIONS

A] The Indo-China Border Dispute

Theoretical & Historical Underpinnings

For millennia, India and China interacted harmoniously as open **civilizational states** rather than rigid nation-states. Historically, the frontiers between the two subcontinental entities were defined by loose **transition zones** and fuzzy cultural spaces rather than demarcated borders.

The introduction of hard boundaries was a byproduct of British imperial strategy. Driven by the "**Great Game**" geopolitical anxiety, British administrators sought to construct a codified, fixed outer limit for the British Raj to prevent direct territorial contact with an expansionist Tsarist Russia.

From a theoretical perspective (as highlighted by scholars of international relations), "**territory**" and "**demarcated borders**" are **distinct Westphalian Western concepts** deeply tied to modern notions of absolute, zero-sum sovereignty. The attempt to impose rigid, linear Westphalian boundaries onto complex, historically overlapping Himalayan frontiers remains the structural root cause of the current dispute.

The Sectoral Division of the Boundary

India and China share a non-continuous, highly contested frontier spanning approximately **3,488 km**, commonly referred to as the **Line of Actual Control (LAC)**. This frontier is geographically divided into three distinct sectors:

1] The Eastern Sector (Arunachal Pradesh / Sikkim)

- **The Shimla Convention (1913–14):** Plenipotentiaries from Great Britain (representing India), the Republic of China, and the de facto independent state of Tibet convened in Shimla to settle Tibet's political status and its frontiers. British negotiator Sir Henry McMahon drew a boundary line—the **McMahon Line**—on a map appended to the draft treaty. While the Tibetan delegation signed the convention, the Chinese representative initialed it but ultimately walked out, refusing formal ratification.
- **The Chinese Narrative:** Beijing rejects the McMahon Line as an "illegal, imperialist imposition." It argues that Great Britain violated the **1906 Anglo-Chinese Convention** (which bound Britain not to annex Tibetan territory) and the **1907 Anglo-Russian Convention** (which prohibited direct negotiations with Tibet bypassing the Chinese central government). Consequently, China considers Tibet's signature invalid and launches regular claims over approximately 90,000 square kilometers of Indian territory, labeling Arunachal Pradesh as **"South Tibet" (Zangnan)** and

engaging in names-standardization (cartographic aggression).

- **The Indian Stand:** India upholds the McMahon Line as the legitimate, legally binding international boundary. New Delhi supports this stance by noting that the line closely tracks the natural **geographical watershed** formed by the crest of the Himalayas. Furthermore, this boundary has been recognized historically through long-standing administrative and civilizational compliance by subcontinental communities.

2] The Middle Sector (Uttarakhand / Himachal Pradesh)

- **Current Status:** This is the shortest and least contentious sector of the shared frontier. Both nations have broad agreement over the boundary line, though minor overlapping patrol claims exist around areas like **Barahoti**.
- **The 2003 Breakthrough:** During Prime Minister Atal Bihari Vajpayee's landmark 2003 visit, China implicitly conceded India's sovereignty over **Sikkim** by agreeing to open the **Nathu-La pass** for institutionalized border trade and accepting altered cartographic realities.

3] The Western Sector (Ladakh / Aksai Chin)

- **The Territorial Impasse:** India accuses China of illegally occupying approximately 38,000 square miles of Indian territory in **Aksai Chin** following the 1962 war. This structural wound was deepened in 1963 when Pakistan signed a provisional boundary agreement illegally ceding **2,170 square miles** of the **Shaksgam Valley** (part of Pakistan-occupied Kashmir) to Beijing, creating a continuous Sino-Pak territorial nexus.

- **The British Mapping Conundrum:** The British Empire failed to establish a singular, undisputed boundary in this sector, leaving behind two competing legal proposals:
 1. **The Johnson Line (1865):** Proposed by W.H. Johnson, this line placed the entire Aksai Chin plateau within the princely state of Jammu and Kashmir. This remains India's official position.
 2. **The MacDonald Line (1899):** Also known as the Macartney-MacDonald Line, this proposal placed Aksai Chin under Chinese sovereignty to create a strategic buffer against Russia. China initially showed interest but never formally accepted it.
- **The Strategic Value for China:** Unlike the populous Eastern Sector, Aksai Chin is an uninhabited, high-altitude desert where public referendums are impossible. However, it holds supreme strategic value for Beijing because **China's National Highway 219 (G219)** runs directly through it, serving as the solitary, vital lateral logistics lifeline connecting the volatile border regions of **Xinjiang and Tibet.**

Contemporary Flashpoints and the Post-2020 Paradigm Shift

4] The Doklam Standoff (2017)

- **The Friction:** In June 2017, the PLA began constructing a motorable road southward into the Doklam Plateau, a disputed territory claimed by both China and India's close strategic ally, **Bhutan.**

- **The Intervention:** Recognizing that a Chinese military presence at the southern tip of Doklam would bring the PLA within striking distance of the hyper-sensitive **Siliguri Corridor ("Chicken's Neck")**—the narrow land strip connecting mainland India to its Northeast—Indian troops crossed the Sikkim border to halt Chinese construction.
- **Resolution:** After an intense, 73-day military face-off, both nations agreed to an expedited mutual disengagement, restoring the tactical status quo on August 28, 2017.

5] The 2020 Galwan Valley Skirmish & The LAC Militarization

- **The Clash:** In May-June 2020, the PLA executed coordinated multi-point incursions across the LAC in Eastern Ladakh, violating long-standing border management protocols. On June 15, 2020, a violent physical brawl erupted in the **Galwan River Valley**, resulting in the deaths of 20 Indian soldiers and an estimated 40+ PLA personnel.
- **Strategic Fallout:** The Galwan clash completely shattered the **1988 Rajiv-Deng Consensus**, which had allowed trade to flourish while keeping the border on the back burner. New Delhi responded by mirroring China's deployments, stationing over 50,000 heavily armed troops along the Ladakh frontier and enforcing defensive economic counters against Chinese firms.
- **The October 2024 Patrolling Agreement:** Following consecutive rounds of military Commander-level talks and diplomatic channels under the Working Mechanism for Consultation and Coordination (WMCC), India and China reached a landmark

breakthrough in **October 2024**. The agreement specifically permitted the **resumption of patrolling rights** for both armies up to their respective historical perceptions of the LAC in critical friction points, notably the **Depsang Plains** and **Demchok**, effectively restoring the pre-May 2020 status quo.

- **The 2025–2026 Disengagement and Buffer Management:** Throughout **2025 and early 2026**, both militaries successfully executed verified, phased rollbacks of forward-deployed armored columns and heavy artillery. To prevent accidental brawls, the forces institutionalized **strictly monitored buffer zones and coordinated patrolling schedules** managed by drone surveillance and satellite verification.
- **The New Normal:** External Affairs Minister S. Jaishankar has noted that while the 2024–2026 disengagement has successfully "**defused immediate kinetic risks**" and lowered the probability of an accidental conventional war, it represents a state of "**Armed Coexistence**" rather than a resolution of the core dispute. The frontier remains highly institutionalized, and complete border resolution remains a long-term diplomatic challenge.

B] Brahmaputra River (Trans-Boundary Hydro-Politics)

The Geographical Matrix

The Brahmaputra is a vital, multi-jurisdictional transboundary river system flowing through three nations: **China (Tibet Autonomous Region), Northeast India, and Bangladesh**. It originates in the

Chemayungdung glacier near Mount Kailash as the **Yarlung Tsangpo**, enters India through the rugged gorges of Arunachal Pradesh (where it is known as the **Siang/Dihang**), flows through the fertile plains of Assam as the **Brahmaputra**, and finally enters Bangladesh as the **Jamuna** before emptying into the Bay of Bengal.

The Core Geopolitical Friction: The Medog Mega-Dam Escalation

The geopolitical friction over transboundary water management escalated from a theoretical threat to an operational crisis due to China's aggressive development of hydropower infrastructure in the lower reaches of the Yarlung Tsangpo, immediately preceding its entry into India.

- **The Medog Greenfield Approval:** In December 2024, Beijing formally greenlit the construction of the colossal **Medog Hydropower Station** located in Medog County, Tibet—the final administrative zone before the river crosses the Line of Actual Control (LAC) into Arunachal Pradesh.
- **The July 2025 Groundbreaking:** Moving with rapid strategic intent, China officially launched the physical construction of the Medog project on **July 19, 2025**, operating under a newly institutionalized state consortium, the *China Yajiang Group Co.*
- **The Scale of Hydro-Hegemony:** Situated inside the Grand Canyon of the Yarlung Tsangpo (the world's deepest canyon), the dam capitalizes on a massive 2,000-meter natural vertical drop. It is

engineered to generate an unprecedented **60 Gigawatts (60,000 MW) of electricity**—nearly **triple the installed capacity of China's own Three Gorges Dam**—making it the largest hydroelectric infrastructure project in human history.

Downstream Implications & Indian Security Anxieties

As lower-riparian states, India and Bangladesh view the unilateral construction of this "super-dam" with deep systemic anxiety, categorizing it under several distinct threat vectors:

- **The "Water Weaponization" Risk (Strategic Deluge vs. Artificial Scarcity):** While Beijing officially maintains the Medog project is a non-consumptive, "run-of-the-river" facility for carbon neutrality, its immense structural capacity grants China absolute, de facto control over downstream volumes. New Delhi fears that during a kinetic conflict, Beijing could weaponize this infrastructure by either **withholding water** to induce artificial drought or executing a **sudden, catastrophic release** of impounded water to trigger devastating flash floods across Northeast India.
- **The "Water Bomb" in a Seismic Zone:** The Great Bend of the Himalayas is one of the most ecologically fragile and **seismically volatile regions on Earth (Zone V)**. The construction of a mega-reservoir here introduces the risk of Reservoir-Induced Seismicity (RIS). A structural failure or dam breach caused by an earthquake would unleash a catastrophic "water bomb," obliterating downstream habitats in Arunachal Pradesh, Assam, and Bangladesh.

- **Ecological and Agrarian Degradation:** The dam will disrupt the natural transport of nutrient-rich **Himalayan silt and sediment**, which is critical for renewing soil fertility in the agricultural floodplains of the Brahmaputra valley and the Sunderbans delta. Furthermore, structural disruptions endanger the unique aquatic biodiversity of the river ecosystem.

The Breakdown of Institutional Mechanisms

The absence of a formal, binding bilateral or multilateral water-sharing treaty creates an institutional vacuum that China leverages to its advantage.

- **The Intermittent MoU Regime:** Historically, transboundary water management relied on a series of five-year Memorandums of Understanding (MoUs), under which China agreed to provide downstream India with critical **hydrological data (water levels and discharge rates)** during the monsoon flood season (May 15 to October 15) to assist flood mitigation in Assam.
- **The Doklam and Post-2020 Data Breaches:** This fragile mechanism has been repeatedly weaponized. During the **2017 Doklam standoff**, China abruptly stopped transmitting hydrological data to India, claiming the upstream data-collection stations were undergoing technical upgrades. Similar data blackouts and transparency deficits occurred during the **2020 Galwan Valley crisis**.
- **The Current Diplomatic Vacuum:** The non-binding data-sharing MoUs formally **expired in 2023** and remain

unrenewed. This leaves New Delhi heavily reliant on satellite imagery and domestic telemetry to monitor upstream anomalies, severely undercutting early-warning capabilities for the Northeast.

India's Strategic Counter-Response: Establishing "User Rights"

Under international water law (*The Helsinki Rules* and the *Berlin Rules*), a riparian state can establish historical priority over water usage by asserting "**Prior Appropriation**" or "**First User Rights**." To counter China's moves, India has accelerated its own mega-hydro infrastructure plans in Arunachal Pradesh to establish legal and physical leverage:

1. **The Siang Upper Multipurpose Project (SUMP):** India has expedited plans for a massive **10,000 to 11,000 MW** storage dam on the Siang River in Arunachal Pradesh. SUMP is specifically designed to feature a large storage reservoir capable of absorbing sudden Chinese water releases or regularizing seasonal scarcity, acting as a tactical hydrological shield.
2. **The Dibang and Subansiri Projects:** India has fast-tracked construction on the **2,880 MW Dibang Multipurpose Project** (set to be India's tallest dam at 280 meters) and the **2,000 MW Subansiri Lower Project** to solidify its physical infrastructure footprint near the LAC, despite facing complex local environmental protests regarding indigenous land submergence.

Policy Recommendations

- **Transitioning to a Tripartite Legal Framework:** India must shift from fragmented, non-binding bilateral MoUs toward a formal, binding **Tripartite Water Treaty** involving India, Bangladesh, and China. Aligning with Bangladesh allows New Delhi to present a unified lower-riparian coalition, raising the diplomatic cost for Beijing's unilateral hydro-assertion.
- **Institutionalizing the Colombo Security Conclave (CSC):** India should utilize regional maritime and ecological frameworks to institutionalize "Data Sovereignty" and establish a collective ecological monitoring mechanism for Himalayan river basins.
- **Adherence to Global Frameworks:** While neither India nor China are signatories to the *1997 UN Convention on the Law of the Non-Navigational Uses of International Watercourses*, India must continuously utilize its platform to advocate for the convention's core principles: "**Equitable and Reasonable Utilization**" and the "**Obligation Not to Cause Significant Harm.**"

C] China–Pakistan Relations: The Asymmetric Axis

The **2025–2026 launch of CPEC Phase II (CPEC 2.0)**, the shifting parameters of **co-development in defense electronics/missile systems**, and the strategic realities of India's **two-front security dilemma**.

The Strategic Rhetoric vs. Geopolitical Reality

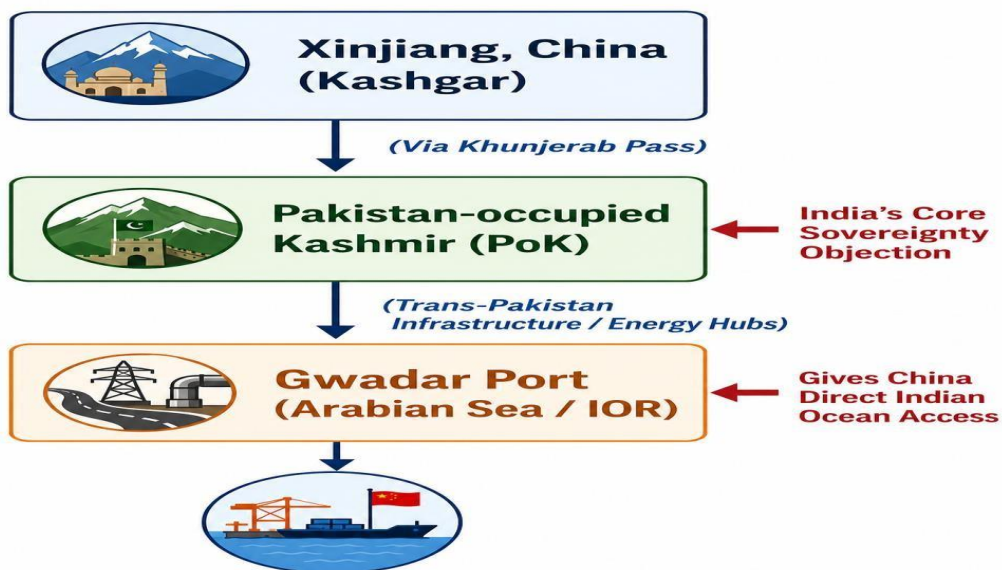
The bilateral relationship between Beijing and Islamabad is routinely described by both states using hyperbolic, deeply institutionalized diplomatic rhetoric, characterizing it as an **"All-Weather Strategic Cooperative Partnership."** Leadership on both sides frequently refers to this bond as an **"Ironclad Friendship"** that is *"higher than mountains, deeper than oceans, stronger than steel, and sweeter than honey."*

From an analytical standpoint, however, this partnership is not built on shared democratic values or cultural synthesis, but on a cold, realist alignment of interests. It functions as an **asymmetric, low-cost strategic instrument** designed to keep India structurally pinned down within South Asia, forcing New Delhi to divide its attention and resources between two hostile frontiers.

Historical Evolution and the Shaksgam Precedent (1963)

The alliance was not an immediate post-independence development. In the early 1950s, Pakistan was firmly embedded in the Western anti-communist bloc via security pacts like SEATO and CENTO, while China was part of the communist bloc.

- **The 1962 Catalytic Shift:** The alignment shifted irrevocably as the India–China relationship deteriorated over the undemarcated Himalayan borders, culminating in the **1962 Sino-Indian War**. Seizing a structural opportunity to counter India, Islamabad moved to build deep strategic bridges with Beijing.



- **The 1963 Boundary Agreement:** In March 1963, Pakistan signed a controversial border agreement with China, illegally ceding **2,170 square miles** of the **Shaksgam Valley** (a component of Pakistan-occupied Kashmir) to Beijing.
- **Structural Fallout:** By accepting this territory, China formally injected itself as a de facto **third party into the intractable Jammu & Kashmir territorial dispute**. This created a continuous, legalistic, and physical territorial nexus between Beijing and Islamabad directly overlooking India's northern defense lines.

The Economic Dimension: CPEC Phase II (CPEC 2.0)

The economic backbone of the axis is the **China-Pakistan Economic Corridor (CPEC)**, a multi-billion-dollar flagship corridor of China's overarching **Belt and Road Initiative (BRI)**. Spanning 3,000 kilometers, CPEC connects the deep-water **Gwadar Port** in Balochistan to the city of

Kashgar in China's Xinjiang Uyghur Autonomous Region.

The Structural Transition (2025–2026): Following the conclusion of Phase I (2015–2024), which focused heavily on debt-financed coal-fired power plants, transport grids, and early-stage port connectivity, Beijing and Islamabad formally launched **CPEC Phase II (CPEC 2.0)** during high-level strategic dialogues.

- **The Scope of CPEC 2.0:** Moving away from heavy infrastructure construction, CPEC 2.0 shifts the focus toward **"Industrial Embeddedness" and technological integration**. Pakistan expanded its approved Special Economic Zones (SEZs) to fast-track the relocation of China's excess industrial capacity. The current 2025–2029 action plan prioritizes green growth, agricultural technology, local pharmaceutical manufacturing, and digital connectivity (E-Pak framework).
- **The Maritime Utility for Beijing:** For China, CPEC bypasses the geographic vulnerability of the **"Malacca Dilemma"** (the risk of an American naval blockade in the Malacca Strait during a conflict over Taiwan). It opens a direct, overland energy and trade pipeline to the Arabian Sea, granting the Chinese economy direct access to the Persian Gulf and the broader Indian Ocean Region (IOR).
- **India's Uncompromising Objection:** New Delhi completely rejects the CPEC framework. Because the corridor's foundational roads and fiber-optic networks run directly through **Pakistan-occupied Kashmir (PoK)**, India views CPEC as an explicit violation of its **territorial integrity and national sovereignty**. India has consistently boycotted BRI Summits to uphold this core policy

line.

Deepening Military Integration & The Nuclear/Missile Shield

The military dimension of the relationship has transitioned from a buyer-seller arrangement to deep, co-developmental interoperability:

- **The Major Arms Supplier:** China is Pakistan's largest provider of advanced conventional military hardware. Joint platforms include the **JF-17 Thunder** fighter aircraft, **Type 054A/P guided-missile frigates**, and **VT-4 main battle tanks**.
- **Undersea Dominance:** Interoperability in the maritime domain has accelerated with Pakistan's commissioning of its first **Hangor-class submarines** in China, part of an eight-vessel deal aimed at altering the naval balance in the North Arabian Sea.
- **The Multilateral and Diplomatic Shield:** Beyond physical weapons, China acts as Pakistan's ultimate diplomatic defense shield on the global stage. Beijing routinely exercises its technical hold and veto powers within the **UN Security Council 1267 Sanctions Committee** to block India-led initiatives to designate Pakistan-based proxies (such as leaders of Jaish-e-Mohammed and Lashkar-e-Taiba) as global terrorists.

The structural dynamics of the Indian Ocean Region (IOR) represent a classic geopolitical struggle for maritime dominance, framed primarily by China's power projection and India's strategic pushback.

1. The Strategic Threat: "String of Pearls"

The "String of Pearls" is a containment strategy designed to secure China's Sea Lines of Communication (SLOCs)—particularly for energy

imports from the Middle East—while systematically encircling India.

Key Choke Points & Hubs

- **The Malacca Strait:** China's primary vulnerability (the "Malacca Dilemma"). Over 60% of Chinese oil imports pass through this narrow corridor.
- **Gwadar Port (Pakistan):** The crown jewel of the **China-Pakistan Economic Corridor (CPEC)**. It grants China direct access to the Arabian Sea, bypassing Malacca. The potential development of a People's Liberation Army Navy (PLAN) base here turns it into a dual-use facility directly monitoring India's Western Naval Command.
- **Hambantota (Sri Lanka) & BNS Pekua (Bangladesh):** Key commercial footprints that provide logistical depth to PLAN assets operating in the Bay of Bengal.
- **Kyaukphyu (Myanmar):** A deep-sea port under development that creates a direct overland pipeline and transport corridor to southern China.

2. The Counter-Strategy: "Necklace of Diamonds"

To prevent strategic encirclement, India's "Necklace of Diamonds" creates an opposing geographic ring of security partnerships, critical access agreements, and forward military bases.

Strategic Nodes & Island Outposts

- **Changi Naval Base (Singapore):** Provides the Indian Navy with logistical access and refueling capabilities right at the doorstep of the Malacca Strait.

- **Sabang Port (Indonesia):** Situated at the western entrance of the Malacca Strait, providing India with a crucial observation and positioning node.
- **Duqm Port (Oman):** Offers footprint and maintenance facilities for Indian warships operating near the Strait of Hormuz, countering China's presence in Gwadar and Djibouti.
- **Agaléga Island (Mauritius):** India has developed an air base and deep-water jetty here. This station enables long-range maritime surveillance aircraft (like the P-8I Neptune) to monitor the Southwestern Indian Ocean and the Chagos Archipelago region.
- **Assumption Island (Seychelles):** A joint infrastructure project designed to enhance maritime domain awareness (MDA) in East Africa.

3. Real-World Power Projection: The Security Framework

India does not rely solely on access points; it actively translates these nodes into hard power and institutionalized regional security architecture:

Multilateral Alignment & Interoperability

- **The Quad:** Collaboration with the US, Japan, and Australia creates a broader democratic counterweight across the Indo-Pacific, tested annually during high-end combat drills like **Exercise Malabar**.
- **Integrated Military Command:** India is executing a **\$9 billion infrastructure expansion on Great Nicobar Island (Galathea**

Bay). Located just 150 km from the western opening of the Malacca Strait, this permanent forward base acts as India's primary strategic sentinel over global shipping lanes.

- **Subsurface Deterrence:** India is operationalizing **INS Varsha**, a highly classified, subterranean nuclear submarine base on its eastern seaboard. Designed to berth up to 12 nuclear-powered ballistic missile submarines (SSBNs), it guarantees a protected second-strike capability and counters China's subterranean Longpo Naval Base on Hainan Island.
- **Net Security Provider:** Through its **SAGAR (Security and Growth for All in the Region)** initiative, India has established a network of Coastal Surveillance Radar Systems (CSRS) across the Maldives, Sri Lanka, Mauritius, and Seychelles, positioning itself as the primary maritime domain awareness hub in the IOR.

E] Unfair and Asymmetric Trade Relations

The Geo-Economic Paradox

The economic relationship between New Delhi and Beijing presents a classic strategic paradox: **deepening commercial integration running parallel to acute military and geopolitical hostility.** Despite political initiatives to reduce reliance on Beijing following the 2020 border clashes, bilateral commerce has expanded.

According to the latest Ministry of Commerce data, **China has overtaken the United States to re-emerge as India's largest individual trading partner**, with total bilateral trade scaling an unprecedented **\$151.1 billion.**

The Structural Asymmetry: Product Composition

The fundamental problem in India–China trade is not the volume of trade, but its highly skewed, colonial-style structural composition.

India primarily exports low-value raw materials and primary commodities, while importing high-value, technology-intensive manufactured goods and capital equipment.

Major Items of Export from India to China

India's outbound shipments fluctuate heavily based on Chinese industrial demand and tariff regimes. Key exports include:

- **Petroleum and Naphtha Products** (fueling China's downstream plastic and chemical industries).
- **Marine Products** and agricultural commodities.
- **Iron Ore, Slag, and Ash** (feeding China's massive steel mills).
- Organic Chemicals and Spices.

Major Items of Import from China to India

India's inbound shipments are heavily concentrated in critical industrial inputs and technology components:

- Electronic Components & Integrated Circuits (ICs).
- **Telecom Instruments** and smartphone assemblies.
- Computer Hardware, Laptops, and Peripherals.
- **Machinery & Industrial Capital Goods** (transformers, heavy engineering equipment, textile machinery).

- Organic Chemicals & Active Pharmaceutical Ingredients (APIs).

The Exponentially Widening Trade Deficit

The imbalance between India's modest exports and its massive import bill has caused the bilateral trade deficit to balloon into a severe macroeconomic challenge.

- **The Statistical Trajectory:** The trade deficit has expanded from a minor **\$1.1 billion** in 2003–04 to **\$85.1 billion** in 2023–24. It has now surged past the historic \$100 billion benchmark to sit at a staggering **\$112.16 billion**.
- **Contribution to Total Imbalance:** China alone accounts for approximately **35% to 40% of India's total global merchandise trade deficit**, creating a severe structural drain on India's foreign exchange accounts.

Critical Vulnerabilities & National Security Vectors

1] Critical Input Dependence (The Supply Chain Chokepoint)

Analysis by think tanks like the Global Trade Research Initiative (GTRI) shows that India's dependence on China is not driven by consumer luxury goods, but by **critical intermediate goods** that are difficult to substitute quickly. In several strategic domestic sectors, China controls dominant market shares for India's foundational inputs:

- **Active Pharmaceutical Ingredients (APIs):** India relies on China for up to **97%** of crucial bulk drugs and antibiotics like erythromycin, leaving India's massive domestic generic

pharmaceutical industry vulnerable to single-source supply chain disruptions.

- **Green Energy Ecosystems:** China supplies over **82% of India's solar cells/modules** and **75% of its Lithium-ion battery packs**, making India's ambitious clean energy transition dependent on Beijing's regulatory approval.
- **Electronics and Manufacturing:** China controls over **80% of imported laptops** and **86% of flat-panel displays** used in domestic tech manufacturing.

2] Weaponization of Interdependence

From an international relations perspective, this structural asymmetry creates a profound security vulnerability. New Delhi fears that during periods of heightened geopolitical or military tension along the Line of Actual Control (LAC), Beijing could **weaponize this trade asymmetry** by cutting off critical industrial inputs, which would cause immediate disruptions across Indian manufacturing lines.

3] Unfair Trade Practices & Market Access Barriers

India has repeatedly raised alarms over China's state-backed economic model. Chinese state-owned enterprises often engage in **predatory pricing and dumping** of excess industrial capacity (such as steel, chemicals, and plastics) into the Indian market, undercutting domestic micro, small, and medium enterprises (MSMEs). Furthermore, Beijing maintains non-tariff barriers, regulatory hurdles, and stringent clearance standards that keep India's strongest export sectors—such as Information

Technology (IT) and finished pharmaceuticals—from gaining market access.

India's Strategic Counter-Measures

To mitigate this strategic vulnerability, the Government of India has deployed a multi-pronged defensive economic strategy:

1. **Production Linked Incentive (PLI) Schemes:** India has deployed over **₹1.97 lakh crore** across 14 strategic sectors (including advanced chemistry cell batteries, solar PV modules, pharmaceuticals, and electronics) to build local supply chains and reduce reliance on Chinese imports.
2. **Trade Remedial Measures & Anti-Dumping Duties:** The Directorate General of Trade Remedies (DGTR) has aggressively imposed anti-dumping duties, countervailing duties, and safeguard measures on hundreds of Chinese products to protect domestic manufacturers from predatory pricing.
3. **The Inter-Ministerial Committee (IMC) on Import Monitoring:** India has established an IMC to track import surges in real-time, identify sectors showing vulnerabilities, and recommend tariff corrections or non-tariff barriers where necessary.
4. **Supply Chain Resilience Initiative (SCRI):** Trilateral cooperation with Japan and Australia aims to build resilient, alternative supply chains that bypass China's geopolitical influence.

F] The South China Sea Dispute & India's Strategic Ingress

The Core Geopolitical Theater

The South China Sea (SCS) is a critical maritime crossroad and a primary theater of geopolitical friction in the Indo-Pacific. While India is not a direct territorial claimant, the structural management of this body of water directly impacts New Delhi's economic, energy, and security calculus. The dispute is driven by China's aggressive expansionism against overlapping territorial and maritime zones claimed by several Southeast Asian nations, including **Brunei, Indonesia, Malaysia, the Philippines, Taiwan, and Vietnam.**

The Cartographic and Kinetic Conflict

- **The Nine-Dash Line:** Beijing asserts historic sovereignty over approximately **85% to 90%** of the SCS, enclosing it within a sweeping, legally uncoded boundary known as the "**Nine-Dash Line**" (historically referenced as the eleven-dash line).
- **Militarization of the Global Commons:** To transform these claims into a physical reality, China has engaged in massive asymmetric **land reclamation**, transforming low-tide elevations and coral reefs into highly militarized artificial islands. Features across the **Spratly** and **Paracel** island chains have been outfitted with long-range radar arrays, anti-ship cruise missile batteries, and runways capable of hosting advanced fighter aircraft.

- **The Resource Bounty:** Beyond its geography, control over the SCS grants exclusive access to rich fishing grounds and vast, untapped hydrocarbon reserves. Estimates suggest the seabed contains up to 11 billion barrels of oil and 190 trillion cubic feet of natural gas.

India's Multidimensional Stakes in the South China Sea

1] Trade and Freedom of Navigation (FoN)

The South China Sea is not a closed domestic waterway; it is a vital artery of the global economy. Approximately **55% of India's total commercial trade and transit** with the ASEAN region, Japan, South Korea, and the Pacific coast pass through these waters. Consequently, New Delhi has a strong national interest in ensuring that these Sea Lines of Communication (SLOCs) remain open, transparent, and free from the unilateral hegemony of a single power.

2] Energy Security & Joint Exploration

Under its economic diplomacy, India's state-owned energy enterprise, **ONGC Videsh Limited (OVL)**, maintains active long-term oil and gas exploration agreements with Vietnam in the SCS (specifically within **Blocks 127 and 128**). Despite repeated diplomatic warnings and intimidation tactics by Chinese coast guard vessels alleging territorial violations, India has steadily maintained its operational presence, asserting Vietnam's sovereign right to lease out its Exclusive Economic Zone (EEZ).

India's Policy Shift: Act East to Hard Deterrence

Historically, New Delhi approached the SCS dispute with extreme diplomatic caution, calling generally for "peaceful resolution through dialogue." However, as a response to China's continuous gray-zone actions along the Line of Actual Control (LAC) and within the Indian Ocean, India has transitioned its posture from strategic ambiguity to active commitment.

- **Upholding International Law (The PCA Shift):** Breaking with its past hesitations, India has formally aligned its diplomatic stance with the **2016 Permanent Court of Arbitration (PCA) ruling** in the *Philippines v. China* case. The tribunal had unanimously invalidated China's historic claims within the Nine-Dash Line under the **United Nations Convention on the Law of the Sea (UNCLOS)**. India now explicitly urges all parties to show unreserved compliance with the ruling, setting a regional precedent for rules-based maritime order.
- **The BrahMos Precision Firepower Transfer:** Moving beyond diplomatic statements into hard-power cooperation, India executed its historic **\$375 million defense export contract** with Manila. The delivery of all **three shore-based, anti-ship batteries of the BrahMos supersonic cruise missile system** to the Philippine Marine Corps provides Manila with a credible precision-strike capability. This deployment serves as a physical check against maritime incursions within its EEZ.

- **The Extended Neighborhood Approach:** Under the "**Act East Policy**," the Indian Navy conducts regular forward deployments, operational turns, and complex bilateral exercises (such as *SIMBEX* with Singapore and *Samudra Shakti* with Indonesia) inside the South China Sea. These maneuvers send a clear message that New Delhi views the western Pacific as part of its contiguous security environment.

3] AREAS OF COOPERATION FOR INDIA-CHINA

Despite deep structural conflicts across territorial and maritime domains, India and China share vital, overlapping interests at the systemic level. As the twin anchors of the emerging multipolar world order, both nations find common ground in challenging Western institutional hegemony and reshaping global governance.

A] Regional and Global Cooperation

1] *Sustainable Development Goals (SDGs) and Poverty Alleviation*

- **The Demographic Weight:** As the world's two most populous nations, India and China collectively represent more than **one-third of humanity**. Consequently, the global success or failure of the United Nations **2030 Agenda for Sustainable Development** depends fundamentally on the domestic trajectories of these two Asian giants.
- **The Power of Open Regionalism:** From an economic standpoint, institutional integration and "**open regionalism**"—

characterized by smooth intra-regional trade, cross-border investments, and non-exclusionary infrastructure development—can create immense economic and social benefits. Collective focus on rural transformation, digital inclusion, and public health creates a shared blueprint for large-scale poverty reduction across the developing world.

2] *Climate Change and Environmental Diplomacy*

The environmental arena is historically the most cohesive and institutionally resilient pillar of Sino-Indian diplomatic cooperation.

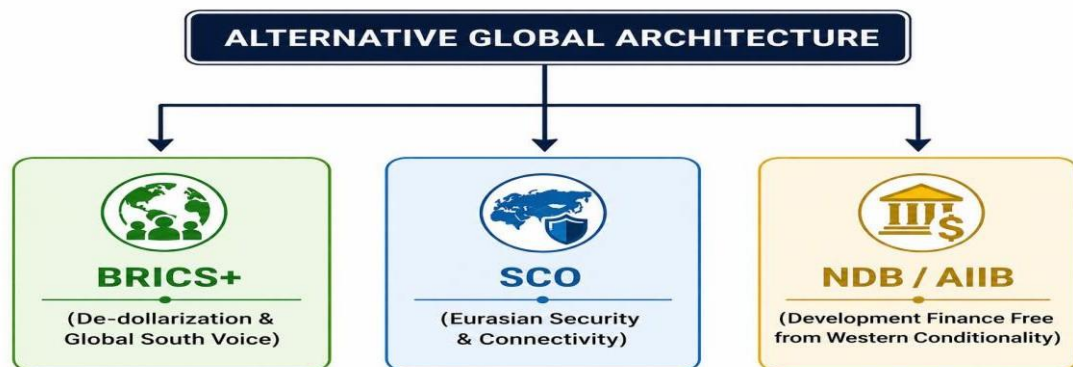
- **Shared Vulnerabilities:** According to successive reports by the **Intergovernmental Panel on Climate Change (IPCC)**, both nations face acute, systemic threats from global warming. These include the accelerated melting of Himalayan glaciers (the "Third Pole" water tower of Asia), extreme monsoon variability, agricultural disruptions, rising sea levels threatening mega-cities, and severe food and water insecurity.
- **The Counter-Weight to Western "Climate Colonialism":** Both New Delhi and Beijing have consistently resisted attempts by developed Western economies to impose absolute emission caps that ignore historical responsibilities. They critique the West's systemic failure to deliver promised climate finance (\$100 billion annually) and affordable green technology transfers.
- **The Core Diplomatic Alignment:** Working collaboratively through the **BASIC bloc** (Brazil, South Africa, India, China) and the **G77+China** coalition, both nations act as the primary defenders of the **Global South** in United Nations Framework Convention on

Climate Change (UNFCCC) negotiations. They collectively champion the foundational principles of:

1. **Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC):** Asserting that developed countries must bear the historical financial and mitigation burden of industrialization.
 2. **Climate Justice and Equity:** Balancing global carbon mitigation with the legitimate developmental aspirations and energy-security needs of third-world populations.
- **A Shift Toward Technological Leadership:** As posited by trade and economics scholars like Aaditya Mattoo and Arvind Subramanian, traditional, zero-sum international negotiation mechanisms must transition toward a new paradigm. In this framework, leading developing economies (India, China, Indonesia) shift away from defensive diplomacy to take the mantle of global leadership, focusing on **joint green technological innovation, mass manufacturing of solar PV/EV ecosystems, and climate-resilient agricultural cooperation.**

B] Trade, Economics, and Global Governance Architecture

As developing economies grow wary of the unilateral use of economic



sanctions, weaponized financial instruments, and protectionist tendencies from the West, India and China frequently collaborate to build an alternative, multipolar financial architecture.

Institutional Convergence (BRICS, SCO, AIIB, NDB)

Both nations utilize non-Western multilateral platforms to reform global economic governance:

- **BRICS+ (Brazil, Russia, India, China, South Africa + expanded members):** Serves as a vital geopolitical counterweight to the G7. India and China cooperate here to promote **de-dollarization** by advancing local-currency settlement mechanisms for cross-border trade, reforming the IMF and World Bank voting quotas, and amplifying the representation of emerging markets.
- **The Shanghai Cooperation Organisation (SCO):** Provides a critical platform for regional security cooperation, counter-terrorism alignment through the Regional Anti-Terrorist Structure (RATS), and Eurasian connectivity, helping to stabilize

the stabilizing terrestrial heartland of Asia.

- **The New Development Bank (NDB) and Asian Infrastructure Investment Bank (AIIB):** These institutions provide development finance entirely free from the stringent, politically driven conditionalities typically imposed by the Western-dominated World Bank and IMF. They allow both nations to co-fund large-scale infrastructure projects *across Asia and Africa*.

2] *The Global South Leadership Paradox*

Both New Delhi and Beijing position themselves as the natural leaders and advocates for the **Global South**.

- **The Cooperative Aspect:** As the unilateral influence of Western hegemony shifts, their convergence on global economic platforms allows them to present a united front for developing nations. They advocate for food security, supply chain transparency, debt restructuring for low-income countries, and digital public infrastructure.
- **The Competitive Undercurrent:** For an exam context, it is critical to note that this area of cooperation is simultaneously an arena of intense **prestige competition**. While China seeks to lead the Global South through credit-heavy investments like the Belt and Road Initiative (BRI), India advocates for an inclusive, transparent, and debt-sustainable developmental model, as demonstrated during its G20 Presidency and its regular *Voice of Global South Summits*.

B] The Jaishankar Doctrine on China: Strategic Realism & The Three Mutuals*1] The Structural Reality: Parallel Rises and the Asian Century*

Dr. S. Jaishankar frames the Sino-Indian relationship not merely as a bilateral border dispute, but as a systemic, civilizational variable that will dictate the future global order.

“The ability of India and China to work together could determine the Asian Century. Equally, their difficulties in doing so may well undermine it.”

- **The Paradigm of Parallel Rises:** Reaffirming that global politics must accommodate more than one Asian power, he notes: *“The rise of China is a reality but there is an equal reality that is the rise of India.”*
- **The Multipolar Imperative:** For a true "Asian Century" to materialize, multipolarity within Asia itself is a prerequisite. A unipolar Asia, dominated entirely by Beijing, is structurally incompatible with India's rise and global stability.

2] The Post-2020 "Abnormal State" & The Interdependence Trap

Following the Galwan Valley clashes in May 2020, the foundational consensus that held the bilateral relationship together for over three decades (separating border tranquility from economic cooperation) completely broke down.

“India and China have been in an ‘abnormal state’ since 2020 Galwan

clashes.” “If the two biggest countries of the world have that degree of tension between them, it has consequences for everybody else.”

- **The Border-Peace Linkage:** New Delhi’s official stance, strictly articulated by EAM, is that **peace and tranquility along the Line of Actual Control (LAC) are non-negotiable prerequisites** for the normalization of ties. Business-as-usual trade or diplomatic warmth cannot coexist with forward military mobilization.
- **The Global Risk Vector:** The friction between these two nuclear-armed economic giants introduces profound systemic volatility, threatening global supply chains, maritime security in the Indo-Pacific, and multilateral consensus within forums like the G20, BRICS, and SCO.

[3\]](#) *De-Westernizing Indian Foreign Policy: The "Bharat" Realism*

In his recent strategic expositions and his book *Why Bharat Matters*, Dr. Jaishankar introduces a deep philosophical and civilizational critique of India’s historical approach to Beijing, advocating for an indigenous, realist paradigm.

“If we had been more Bharat, we would have had a less rosy view of our relationship with China.” “I argue for dealing with China from a basis of realism.”

- **The Critique of Post-Independence Idealism:** The term *"more Bharat"* implies anchoring Indian statecraft in its own classical strategic culture (akin to Chanakya’s *Arthashastra*) rather than Western-borrowed liberal internationalism.

- **Moving Past "Hindi-Chini Bhai Bhai":** He argues that historical Indian diplomacy suffered from a romanticized, "rosy" view of Asian solidarity, which led to strategic miscalculations in 1962. Modern India must look at China through the lens of cold **offensive-defensive realism**, recognizing structural contradictions without ideological illusions.

4] *The Architectural Framework: The "Three Mutuals"*

To move the relationship out of its current "abnormal state" toward a sustainable, long-term equilibrium, Dr. Jaishankar has institutionalized a clear, structural rubric. He asserts that the development of India-China relations must be strictly guided by **Three Mutuals**:



1. **Mutual Respect:** Recognizing each other as equal, sovereign civilizational powers that cannot be dictated to by the other.
2. **Mutual Sensitivity:** Respecting each other's core national concerns, strategic sensitivities, and internal red lines (e.g., India's sovereignty over Jammu, Kashmir, and Ladakh, and its objections to CPEC).
3. **Mutual Interest:** Understanding that both nations have legitimate global and regional interests that must be adjusted through diplomatic equilibrium, rather than unilateral containment.

5] *The Strategic Way Forward: Imagination, Open-Mindedness, and Sun Tzu*

While maintaining a hard, uncompromising stance on security, EAM advises Indian policy circles against rigid intellectual dogmatism. Dealing with an asymmetric adversary requires asymmetrical thinking.

“Dr. S Jaishankar suggests India to be imaginative and open-minded while dealing with China.”

- **Learning from Chinese Strategic Wisdom:** Rather than reacting purely defensively, India must deeply study Chinese strategic behavior, long-term planning mechanisms, and statecraft.
- **Subduing Without Fighting:** By quoting Sun Tzu (*“The supreme art of war is to subdue the enemy without fighting”*), the doctrine

emphasizes **comprehensive national power (CNP)**. India must use deterring military postures, deep economic supply chain interventions (like PLI schemes), digital sovereignty laws, and external alignments (the Quad) to create an environmental matrix where China realizes that a kinetic conflict with India would carry unacceptably high economic, diplomatic, and military costs.

C] C. Raja Mohan's Perspective: Pragmatic Realism and Power Maximization

Professor C. Raja Mohan is a leading proponent of **realist pragmatism** in Indian foreign policy. He argues that India must abandon historical ideological hesitation (like rigid non-alignment) and view the rise of China as a structural catalyst to accelerate India's own comprehensive national power (CNP).

1] The Structural Gap and Military Deterrence

“The relative rise in the international system makes India more self-assured in dealing with the great powers. Rather than wring its hands about potential shifts in US-China relations, Delhi should focus on seizing the current opportunities with the US and the West to accelerate India's rise in the global power structure, reduce the strategic gap with China, and enhance the military deterrence against Beijing.”

- **Proactive Great Power Diplomacy:** Raja Mohan rejects a passive, fearful approach to global power shifts. He argues that India should leverage its unique strategic position to secure

technology transfers, defense co-production deals, and economic partnerships with the West.

- **The Power Gap as the Primary Challenge:** The core task for Indian statecraft is not achieving absolute peace with China through diplomatic statements, but **narrowing the aggregate economic and military power gap** between New Delhi and Beijing. Real security is achieved through strong military deterrence, not diplomatic concessions.

2] *The Compelled Strategic Evolution*

“The unintended consequence of China is, it compels India to think more strategically.”

- **The End of Dogmatic Idealism:** For decades, Indian foreign policy was often criticized for being reactive and burdened by ideological dogma (such as moralpolitik). Raja Mohan points out that China’s aggressive behavior along the borders and its expansion into the Indian Ocean have acted as a form of shock therapy. It has forced New Delhi to develop a clear, long-term maritime doctrine, build critical border infrastructure, and engage in sophisticated strategic balancing.

D] Other Scholarly & Diplomatic Perspectives

1] *Amb. Shivshankar Menon (Former NSA & Foreign Secretary): The Imperative of External Balancing*

Ambassador Menon looks at the relationship through the lens of **Structural Realism**. He identifies the growing power imbalance in Asia as a core challenge to India's independent decision-making.

"China shares a very long border with India, has direct impact on India's



security. The asymmetrical accumulation of power constrains our ability to exercise strategic autonomy, a fundamental principle of India's foreign policy. It means India would have no option but to go for partnership with USA to counterbalance the asymmetry. India cannot remain nonaligned."

The Autonomy Paradox: Menon presents a clear, realist argument: when a neighboring adversary amasses asymmetric power, an insistence on absolute non-alignment actually weakens a nation's security.

- **The US Partnership as a Strategic Necessity:** To protect its long-term strategic autonomy, India must engage in **external balancing**. Aligning closely with the United States and participating in frameworks like the Quad are necessary moves to restore the balance of power in Asia.

2] *Amb. Shyam Saran (Former Foreign Secretary): Convergent Climate Diplomacy*

Ambassador Saran highlights a key area of institutional cooperation where India and China share strong, common interests on the global stage.

“China faces climate change as a part and parcel of its larger development process. There is convergence of interest on the issue of climate change between India and China. Both insist the historical responsibility of the developed west... we agree we have to contribute to mitigating climate change but not at the same level as the west. At this level, there is room for cooperation.”

- **The Developmental Transition:** Saran emphasizes that both nations are large developing economies simultaneously managing green transitions and the energetic needs of vast populations.
- **Defending the Global South:** This shared reality creates a natural diplomatic alliance against Western attempts to impose uniform carbon ceilings. In environmental governance, India and China work together to uphold the principle of **Common but Differentiated Responsibilities (CBDR)**, ensuring that economic development is not sacrificed for Western-driven climate timelines.

3] Prime Minister Narendra Modi (*Shangri-La Dialogue, 2018*): *Multi-Layered Interdependence*

“No other relationship of India has as many layers as our relations with China.”

- **A Multi-Dimensional Paradigm:** This statement captures the complex, dual-track nature of the relationship. It is an intricate mix of deep historical and civilizational ties, multi-billion-dollar trade interdependencies, cooperation on global reform platforms (BRICS, SCO), alongside sharp border confrontations, maritime competition, and regional disputes. The relationship cannot be reduced to a single label; it requires a sophisticated, nuanced approach.

4] Amb. Rajiv Sikri (*Veteran Diplomat*): *The Psychological Dimension of Statecraft*

“India should not lose the psychological war against China.”

- **Strategic Confidence:** Amb. Sikri addresses a critical aspect of asymmetric conflicts. China frequently uses psychological operations, information warfare, and economic pressure to project an aura of inevitable dominance and break an adversary's political resolve without kinetic conflict.
- **The Importance of National Resolve:** India must maintain its strategic confidence. This means actively countering defeatist narratives, projecting its own strengths as a civilizational power,

and demonstrating firm political resolve along its frontiers and within its neighborhood.

Unit -18

INDIA-MYANMAR RELATIONS

INDIA-MYANMAR RELATIONS

THE STRATEGIC MATRIX

ACT EAST POLICY
(Gateway to ASEAN markets)

NEIGHBORHOOD FIRST
(Border security & stability)

SAGAR VISION
(Sittwe Port counter-weight)

INTERNAL SECURITY
(Countering NE insurgency)

THE 5 Bs
 Buddhism
 Business
 Bollywood
 Bharatnatyam
 Burma Teak

1 INTRODUCTION

- India and Myanmar share deep civilizational, religious, linguistic and ethnic ties.
- Myanmar is India's land bridge to Southeast Asia and the crucial intersection of "Neighborhood First" and "Act East" policies.
- Traditionally summarized by the "5 Bs".



2 BRIEF HISTORICAL TRAJECTORY

- Pre-1947**: Colonial Continuum Part of British Indian Empire.
- 1951**: Treaty of Friendship signed by Nehru & U Nu – Strong foundation of friendship.
- 1962-1988**: Democratic-Military Schism: Military rule under Gen. Ne Win. 1988 Uprising – India supported democracy & Daw Aung San Suu Kyi.
- 1993**: Realist Turn Under P.V. Narasimha Rao, policy pivot – engaged with military regime to counter China's influence & insurgency.
- 2011-2020**: Hybrid Era: India supported Myanmar's partial transition to democracy.
- 2021-Present**: Post 2021 Realities: Military coup on Feb 1, 2021 plunged Myanmar into turmoil.

India – First Responder in Humanitarian Crises
 Cyclone Mora (2017), Komen (2018), Shan State earthquake, and March 2025 Earthquake – Operation Bahama delivered relief via air & sea, field hospital in Mandalay.

3 THE MYANMAR CIVIL WAR & ITS IMPLICATIONS FOR INDIA

The 2021 coup triggered a full-scale civil war. Pro-democracy forces (NUG) and Ethnic Armed Organizations (EAOs) are in a multi-front conflict with the Tatmadaw.

A Fragmentation of State Authority

- Junta lost control over 80%+ territory.
- EAOs hold real control in border areas.
- India faces dual-track diplomacy – junta in Naypyidaw & rebels on ground.

B Interrupted Strategic Projects

- Kaladan Project: Final road phases stalled due to fighting in Rakhine & Chin states.
- India-Myanmar-Thailand (IMT) Highway: Delayed due to rebel attacks & contested areas.

C Mass Refugee Crisis

- 70,000+ refugees from Chin State & Siquing Region in NE India.
- Strain on resources & political disagreement (Centre vs Mizoram govt.) over status.

D Transnational Threats – Cyber Slavery

- Cyber slavery networks operate from lawless areas.
- Since 2022, 2,166+ Indian nationals rescued from online scam operations.

E Post 2025 Election Dilemma

- Elections (Dec 2025–Jan 2026) in 265/330 constituencies, turnout ~55%.
- Strategic bind – engage practically while advocating free, fair & inclusive elections.

4 CROSS-BORDER ISSUES & SECURITY CHALLENGES

- Safe Havens for Insurgent Groups**: HCN, ULFA & Meitei groups use Myanmar border areas for camps, hit-and-run attacks & safe havens.
- The "Golden Triangle" Narcotics-Weapons Nexus**: Myanmar's role in Golden Triangle fuels drug (heroin, meth) & illegal arms trafficking into Myanmar, Manipur. Fuels insurgency & subversion.
- Scrapping of Free Movement Regime (FMR)**: FMR allowed 16 km visa-free movement. Suspended due to security threats, illegal migration & drug smuggling. Entire border to be fenced with 10m & increased patrolling.
- Fencing of Indo-Myanmar Border (2024)**: 1,513 km border to be fenced. New rules (Dec 2024) movement limited to 10 km with "border pass". Protests from Naga & Mizo groups.
- Trade Embargo by Naga Groups (Sept 2025)**: Embargo in Naga districts (N1, 2 & N4-19). 100+ trucks & fuel tankers stranded. Suspended after Centre assured consultation.

5 MYANMAR AS A CRITICAL MEMBER OF ASEAN & REGIONAL BLOCKS

ASEAN

Gateway to the "Act East" Policy

- Only ASEAN member sharing land border with India.
- Geographical cornerstone of India's Act East policy.

MYANMAR: THE BRIDGE

Diplomatic Dilemma
 ASEAN's Five-Point Consensus on Myanmar has stalled. India maintains pragmatic engagement while avoiding isolation that could push Myanmar towards China.

BIMSTEC

Key pivot for Bay of Bengal Maritime Security Architecture

- Vital number of BIMSTEC & Mekong-Ganga Cooperation (MGC).
- Balances against Chinese maritime expansionism.

6 ECONOMIC & COMMERCIAL COOPERATION

A Trade Landscape (FY 2024-25)

- Bilateral trade: US\$2.16 billion (FY 2024-25).
- Exports: \$616 million (led by pharmaceuticals, pharma market).
- Imports from Myanmar: \$1,513 million (mainly pulses).
- India is Myanmar's 4th largest trading partner.

B Pulses-Kyat Trade – Strategic Anchor

- 5-year MoU (Oct March 2026): 2.5 lakh MT Urad & 1 lakh MT Tur imported duty-free.
- India resisted including mung & moong.
- Vital for India's food security, Myanmar's agriculture.

C Ruppee-Kyat Trade Settlement (From Jan 2024)

- Reduced dependence on third-party currencies.
- 50+ transactions worth \$6B-3B done.
- 9 Myanmar banks opened SWIFT with Punjab National Bank.
- Bilateral trade target: US\$5 billion in next 5 years.

D Investment & Banking Footprint

- India is 11th largest investor – approved investment: US\$782.8 million in 39 enterprises.
- SBI holds commercial banking license in Yangon.
- PNB operates representative office.

7 SIGNIFICANCE OF MYANMAR IN THE DEVELOPMENT OF NORTHEASTERN STATES

Economic & Infrastructure Drivers

- Ends Landlocked Isolation: MEC connects NE India to Thailand, Cambodia, Vietnam markets.
- Sittoung Port Advantage: Alternative maritime gateway. 20,000 DWT capacity. 200th vessel berthed in Sept 2025.
- Kaladan Project: Work continuing slowly. Final 110 km road pending. Target extended to 2027.
- Border Trade Economy: ICPs at Mueh (Manipur), Zohawthar (Mizoram) boosting commerce.
- Energy Security: Cross-border gas pipelines & grid connectivity for NE India.

Humanitarianism & People-to-People Ties

- Refugee Situation**: 32,000+ registered Myanmar (actual higher). Fresh arrivals (May 2026) brought 150K new arrivals. No coherent refugee framework in India.
- Educational & People Ties**: 14,000 Myanmar students in India under ICER. Builds soft power & future goodwill.
- COVID-19 & Humanitarian Aid**: 100,000 COVID-19 vaccine doses supplied to NE. Vaccine Malaria, along with medicines.

8 INDIA'S STRATEGIC FRAMEWORK IN 2026

MAHAAGAR – The New Strategic Vision
 Myanmar lies at the confluence of India's Neighbourhood First, Act East, and MAHAAGAR (India-Pacific) priorities.

- Engagement is people-centric, demand-driven & beyond state-to-state frameworks.
- (Source: News On Air, March 2026)

9 CONCLUSION – BALANCING PRAGMATISM WITH PRINCIPLES

Principled Pragmatism guides India's approach.

- Engage with Tatmadaw for connectivity & security interests.
- Keep channels open with EAOs countering border threats.

Key Challenges Ahead:

- NUG peace process without military aid.
- China's projects and conflict.
- India's economic crisis.
- Geopolitical rivalry (US vs China).
- Geopolitical rivalry (US vs China).

"Myanmar is India's strategic gateway to Southeast Asia. Strong, stable & friendly India-Myanmar ties are vital for peace, prosperity and security in the Bay of Bengal region."

1. INTRODUCTION

India and Myanmar share a deeply interconnected relationship rooted in civilizational, religious, linguistic, and ethnic ties. Geopolitically, Myanmar holds a unique position in India's foreign policy paradigm: it is the **only ASEAN country that shares a contiguous land and maritime border with India**, serving as New Delhi's land bridge to Southeast Asia.

Consequently, Myanmar represents the crucial intersection of India's **"Neighborhood First"** policy and its **"Act East"** policy. The bilateral relationship is traditionally summarized by the **"5 Bs": Buddhism, Business, Bollywood, Bharatnatyam, and Burma Teak.**

2. BRIEF HISTORICAL TRAJECTORY

- **The Colonial Continuum:** Historically part of the British Indian Empire until its separation in 1937, Burma shared the trauma of anti-colonial struggles. Post-independence (India in 1947, Burma in 1948), relations began with a strong foundation of friendship, exemplified by the **1951 Treaty of Friendship** signed by Prime Ministers Jawaharlal Nehru and U Nu.
- **The Democratic-Military Schism (1960s–1980s):** Following General Ne Win's military coup in 1962, Myanmar entered a phase of isolationism. Relations cooled considerably during the

1988 pro-democracy uprisings (*8888 Uprising*), as India initially vocally supported democratic icon Daw Aung San Suu Kyi and condemned the military junta (*Tatmadaw*).

- **The Realist Turn (1990s):** Recognizing that diplomatic isolation was driving Yangon firmly into China's strategic embrace and hampering counter-insurgency operations in the Northeast, India executed a major policy pivot in 1993. Under Prime Minister P.V. Narasimha Rao, India adopted **Strategic Realism**, initiating direct engagement with the military regime while quietly encouraging democratic reforms.
- **The Hybrid Era and Post-2021 Realities:** India supported Myanmar's partial transition to democracy from 2011 to 2020. However, the **February 1, 2021 military coup**—which deposed the National League for Democracy (NLD) government—plunged Myanmar back into turmoil, forcing India to restart its delicate diplomatic tightrope walk.
- **India's Humanitarian First Responder Role:** India has consistently acted as a first responder in Myanmar's natural calamities—Cyclone Mora (2017), Cyclone Komen (2015), and the Shan State earthquake. During the March 2025 earthquake, India launched **Operation Brahma**, delivering over 625 metric tonnes of relief material via six aircraft and five naval ships, deploying an 118-member Army field hospital team, and operating a 200-bedded hospital in Mandalay. This reaffirmed India's commitment as a 'first responder' in its neighbourhood.

3. THE MYANMAR CIVIL WAR & ITS IMPLICATIONS FOR INDIA

The 2021 coup triggered widespread civilian resistance, which quickly evolved into a full-scale, multi-front civil war. Pro-democracy forces under the **National Unity Government (NUG)** joined forces with powerful **Ethnic Armed Organizations (EAOs)** (such as the Chin National Army, Arakan Army, and Kachin Independence Army) to launch a coordinated offensive against the *Tatmadaw*.

The Multi-Dimensional Impact on India

A] Fragmentation of State Authority on India's Frontier

The military junta has lost administrative control over more than 60% of Myanmar's territory, particularly along the borderlands adjacent to India. Real authority in Chin State and the Sagaing Region is now held by fragmented non-state EAOs. This forces New Delhi into a **dual-track diplomacy paradox**: it must maintain formal diplomatic ties with the ruling junta in Naypyidaw while establishing tactical, localized channels with border-controlling ethnic rebel armies to safeguard its interests.

B] Interrupted Strategic Connectivity Projects

India's flagship infrastructure projects, designed to bypass the chicken's neck corridor and link its Northeast to Southeast Asia, have become collateral damage in the civil war:

- **Kaladan Multi-Modal Transit Transport Project:** Designed to

connect Kolkata port with Mizoram via Myanmar's **Sittwe Port** and the Kaladan River inland waterway. Intense fighting between the *Tatmadaw* and the **Arakan Army** in Rakhine and Chin states has ground the final road construction phases to a complete halt.

- **India-Myanmar-Thailand (IMT) Trilateral Highway:** This critical highway, intended to link Moreh (Manipur) to Mae Sot (Thailand) via Myanmar, faces continuous delays due to rebel attacks on military supply routes and contested territorial checkpoints.

C] The Mass Refugee Crisis

The violent military crackdowns and indiscriminate airstrikes by the junta have triggered a massive humanitarian crisis. Over **seventy thousand refugees** from Myanmar's Chin state and Sagaing region have crossed into Northeast India.

- **The Geopolitical Fault Line:** This influx has strained local administrative resources and triggered a political disagreement between the Central Government (which views the refugees as illegal immigrants under the Foreigners Act) and state governments like Mizoram, where local communities share close trans-border tribal and ethnic kinship (*Zomi-Chin* ties) with the refugees.

D] Emerging Transnational Threats – The Cyber Slavery Network: A new dimension of instability is the rise of **cyber slavery networks** operating from lawless border areas of Myanmar. Since 2022, India has rescued over 2,165 Indian nationals lured through fake job offers and forced into online scam operations. This has added

a **human trafficking and cyber-security dimension** to India's border management concerns.

E] The Post-2025 Election Dilemma: The Myanmar military conducted elections in three phases between December 2025 and January 2026, with a predictable victory for the military-aligned USDP. The elections were held only in 265 of 330 townships (primarily urban areas), with a voter turnout of only about 55%. India faces a strategic **bind** – emphasizing the need for free, fair, and inclusive elections while continuing practical engagement to protect its connectivity and security interests

4. CROSS-BORDER ISSUES & SECURITY CHALLENGES

India and Myanmar share a **1,643 km long, porous land border** running through deeply forested, rugged terrain across four northeastern states: Arunachal Pradesh, Nagaland, Manipur, and Mizoram. This geography creates significant, complex cross-border vulnerabilities.

1] Safe Havens for Insurgent Groups

For decades, various Indian Northeast insurgent groups—including factions of the NSCN (Nagaland), ULFA (Assam), and Meitei insurgent groups (Manipur)—have exploited the porous border to establish training camps and safe havens in Myanmar's Sagaing region. They execute hit-and-run strikes inside India and retreat across the border into areas where Indian security forces lack jurisdiction.

2] The "Golden Triangle" Narcotics-Weapons Nexus

Myanmar is a primary hub of the notorious **"Golden Triangle"** (comprising parts of Myanmar, Laos, and Thailand), one of the world's largest illicit opium and synthetic drug production zones. The breakdown of law and order since the civil war has led to an explosion in the trafficking of high-grade heroin, methamphetamine, and illegal small arms through Mizoram and Manipur, directly fueling local drug addiction and renewing funding for insurgent networks.

3] The Scrapping of the Free Movement Regime (FMR)

- **What was the FMR?** Established in the 1970s and revised in 2016, the FMR allowed members of hill tribes residing within 16 km on either side of the border to cross over without a visa, using a simple border pass, to maintain traditional family, cultural, and trade ties.
- **The National Security Overhaul:** Citing the severe deterioration of internal security, tribal clashes in Manipur, unchecked illegal migration, and drug smuggling, **the Government of India officially suspended the FMR.** New Delhi has initiated a comprehensive project to **completely fence the entire 1,643 km India-Myanmar border**, deploying advanced drone surveillance and stepping up patrol deployments by the Assam Rifles.

Cross-Border Issues & Security Challenges

4] The Fencing of the Indo-Myanmar Border: In 2024, the Government of India decided to scrap the Free Movement Regime (FMR) and fence the entire 1,643 km border. The FMR, established in 2018, allowed border residents to move up to 16 km without a visa. **Revised guidelines (December 2024)** limit cross-border movement to just 10 km with a 'border pass' system. The decision has triggered protests from Naga and Mizo groups who share deep ethnic and familial ties across the border, with some groups demanding reinstatement of the FMR and an immediate halt to fencing.

5] The Trade Embargo by Naga Groups (September 2025): The United Naga Council (UNC) imposed a trade embargo in Naga-inhabited districts of Manipur, affecting essential goods supply along National Highways 2 and 37. Over 100 goods trucks and fuel tankers were stranded. The embargo was suspended after the central government assured prior consultation with stakeholders before any fencing work.

5. MYANMAR AS A CRITICAL MEMBER OF ASEAN & REGIONAL BLOCS

Myanmar holds irreplaceable value as India's institutional gateway to Southeast Asia, bridging South Asian regionalism with ASEAN dynamics.

- **The Geopolitical Pivot:** Myanmar is the only ASEAN member state that shares a land boundary with India, making it the geographical cornerstone of India's **Act East Policy**. Any economic or transport integration with the broader ASEAN marketplace must physically traverse Myanmar.
- **The BIMSTEC & MGC Architectures:** Myanmar is a vital member of the **BIMSTEC** (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) and the **Mekong-Ganga Cooperation (MGC)** framework. It acts as a key pivot for India's maritime security architecture in the Bay of Bengal, balancing against Chinese maritime expansionism.
- **The Diplomatic Dilemma:** ASEAN's collective approach to Myanmar has been guided by its "**Five-Point Consensus**" aimed at ending violence, which has largely stalled. While Western nations demand harsh economic sanctions and complete diplomatic isolation of Naypyidaw, India has maintained pragmatic, functional engagement. New Delhi recognizes that completely isolating Myanmar would paralyze regional cooperation and create a power vacuum that Beijing would immediately fill.

Economic & Commercial Cooperation

- **A] Bilateral Trade Landscape (2024-2025):** Bilateral trade between India and Myanmar reached **US\$2.15 billion** in FY 2024–25, registering a strong growth of **\$23.56 million**

over the previous period (led by pharmaceuticals, capturing 60% of Myanmar's pharma market), while imports from Myanmar are around US\$1,533 million (dominated by pulses). India is now Myanmar's fourth largest trading partner (up from seventh position).

- **B] The Pulses Deal – A Strategic Economic Anchor:** Under a 5-year MoU (extended up to March 2026), India allows annual import quotas of **2.5 lakh metric tonnes of Urad** and **1 lakh metric tonnes of Tur** from Myanmar – duty-free and quota-free. India has resisted including moong and maize in the pact citing ample domestic production. This arrangement is vital for India's food security and for Myanmar's agricultural economy.
- **C] Rupee-Kyat Trade Settlement Mechanism (Operational from January 2024):** To reduce dependence on third-party currencies and insulate trade from global currency fluctuations, India and Myanmar have operationalized a **Rupee-Kyat trade settlement mechanism**. Over 50 transactions worth INR 35 crore have already taken place. Nine Myanmar banks have opened Special Rupee Vostro Accounts (SRVA) with Punjab National Bank as the nodal agency. A bilateral trade target of **US\$5 billion** has been set for the next five years.
- **D] Investment & Banking Footprint:** India is the eleventh largest investor in Myanmar with an approved investment of **US\$782.8 million** across 39 Indian enterprises. The State Bank of India holds a commercial banking license in Yangon, while Punjab National Bank operates a representative office.

6. SIGNIFICANCE OF MYANMAR IN THE DEVELOPMENT OF NORTHEASTERN STATES

The landlocked Northeast region of India, connected to the mainland by the narrow 22-km Siliguri Corridor ("Chicken's Neck"), faces structural economic isolation. Myanmar holds the key to unlocking the region's economic potential.

Economic and Infrastructure Drivers

- **Ending Landlocked Isolation:** Under the **Mekong-India Economic Corridor (MIEC)**, connecting Northeast India to Myanmar's transportation networks gives these states direct land access to vibrant consumer markets across Thailand, Cambodia, and Vietnam.
- **The Sittwe Port as a Maritime Outlet:** The operation of the India-developed **Sittwe Port** in Rakhine State creates an alternative maritime gateway for India's Northeast. Heavy cargo can move from Kolkata to Sittwe by sea, and then travel up the Kaladan river to Mizoram, drastically cutting transit times and costs while relieving shipping pressure on the Siliguri Corridor. Sittwe Port, inaugurated in May 2023 and built with Indian funding, is a deepwater facility capable of handling 20,000 DWT vessels – one of the few instances of India managing an overseas port. In September 2025, the port achieved the milestone of berthing its **200th vessel**, handling cargoes of food, agricultural commodities, medicines, fuel, vehicles, and construction

materials. This steady progress reflects its growing operational capacity and its potential as an economic artery for the Northeast.

- **Kaladan Project – Slow but Ongoing:** Work on the Kaladan Multi-Modal Transit Transport Project is continuing but "very slowly" due to the internal security situation in Myanmar. The final 110 km road segment from Paletwa to the Indian border remains the missing link. Myanmar has, however, increased its side of operations as of June 2025, and the target for completion has been extended to 2027.
- **Border Trade Economies:** Operationalizing Integrated Check Posts (ICPs) at strategic nodes like **Moreh (Manipur)** and **Zokhawthar (Mizoram)** transforms these border towns from security outposts into dynamic hubs for international commerce, services, and border-market interactions.
- **Energy Security Integration:** Hydrocarbon-rich Myanmar serves as a viable partner for the Northeast's energy security. Plans for cross-border gas pipelines and electric grid interconnections could turn the Northeast into a vital energy-transit corridor.

Humanitarian and Diaspora Engagement

A] Refugee Situation – A Growing Humanitarian Challenge:

Over 32,000 refugees from Myanmar's Chin State and Sagaing Region are currently sheltering in Mizoram (with actual numbers possibly higher). While the central government has

directed states to restrict influx and repatriate refugees, the Mizoram government – citing deep ethnic and cultural affinities between the Mizo and Chin communities – has continued to shelter them. Fresh airstrikes (May 2026) have triggered another wave, with over 150 new arrivals. India lacks a **coherent refugee protection framework**, exposing the absence of uniform policy on cross-border displacement.

B] Educational & People-to-People Ties: Approximately 14,000 Afghan students study in India under ICCR fellowships.

However, the same framework has been extended to Myanmar students as well, with the Indian Council for Cultural Relations offering scholarships to Myanmar nationals for undergraduate, postgraduate and PhD programmes in Indian universities. This soft power investment builds lasting goodwill and creates a pro-India cohort in Myanmar's future leadership.

C] COVID-19 & Humanitarian Assistance: Even after the 2021 coup, India supplied 500,000 doses of COVID-19 vaccine to Myanmar as part of its 'Vaccine Maitri' initiative, along with essential medicines and relief supplies. India's approach has consistently been to delimit humanitarian assistance from political recognition.

India's Strategic Framework in 2026

- **MAHASAGAR – The New Strategic Vision:** In 2026, External Affairs Minister Dr S. Jaishankar articulated that Myanmar lies at the confluence of India's three key foreign policy priorities

– **Neighbourhood First, Act East, and MAHASAGAR** (including the Indo-Pacific). India's engagement with Myanmar remains **people-centric and demand-driven**, moving beyond traditional state-to-state frameworks. (**Source:** News On AIR, March 2026)-3

- **Support for Inclusive Peace Process:** India publicly supports a "**Myanmar-led and Myanmar-owned**" peace process that can deliver lasting peace and development for all in Myanmar. This stance allows New Delhi to maintain pragmatic engagement with the junta while keeping channels open to ethnic armed organizations.

Conclusion – Balancing Pragmatism with Principles

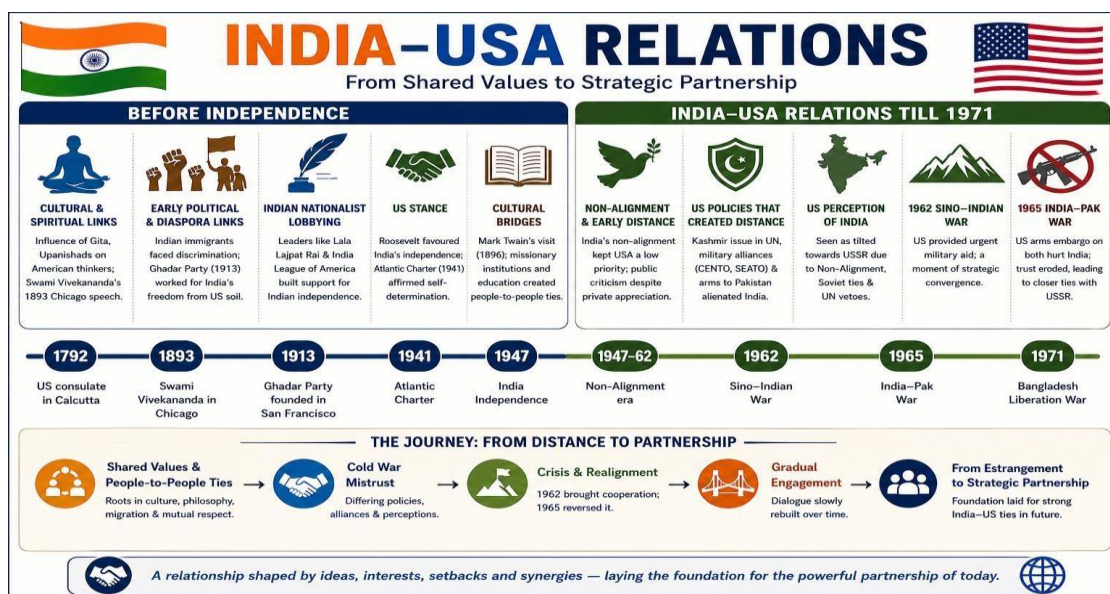
Myanmar remains the **geographical and strategic gateway** for India's Act East and MAHASAGAR visions. However, the post-2021 turmoil has turned this partnership into a high-wire act. India's policy can be best described as "**principled pragmatism**" – maintaining functional diplomatic ties with the Tatmadaw to protect its infrastructure investments (Sittwe Port, Kaladan, IMT Highway) and border security interests, while simultaneously keeping channels open to ethnic armed organizations that control large swathes of the borderlands.

The key challenges ahead are: (i) navigating the 'Myanmar-led peace process' without alienating either the junta or the democratic resistance; (ii) completing stalled connectivity projects amidst active conflict zones; (iii) managing the refugee crisis without straining local resources or triggering

demographic anxieties; (iv) curbing the narcotics-weapons trafficking nexus that fuels insurgency in India's Northeast; and (v) countering China's growing strategic footprint in Rakhine State (Kyaukpyu port) without losing leverage.

Unit - 19

INDIA US RELATIONS



A. Before Independence

India-US ties predate 1947, rooted in cultural, intellectual, political, and diaspora linkages.

The roots of India-US engagement predate India's independence and rest on a rich tapestry of cultural, philosophical, intellectual and political connections. As early as 1792, the United States established its first consulate in Calcutta during George Washington's presidency,

marking early commercial curiosity.

1. Philosophical and Spiritual Connections

In the early 19th century, American Transcendentalists like Ralph Waldo Emerson and Henry David Thoreau were deeply influenced by Hindu scriptures—the Bhagavad Gita and Upanishads. Thoreau's essay "*Civil Disobedience*" (1849) later profoundly influenced Gandhi's strategy of non-violent resistance in South Africa and India.

Swami Vivekananda's address at the World's Parliament of Religions in Chicago (1893) left a lasting impression of India's spiritual wisdom and opened the door for Vedanta societies in America.

In the 20th century, this inspiration came full circle: Martin Luther King Jr., inspired by Gandhi's non-violence, led the American Civil Rights Movement. King visited India in 1959, calling it a pilgrimage.

2. Early Migration and Revolutionary Politics

Indian immigration to the US West Coast began in the early 1900s (mainly Sikh farmers). They faced racial discrimination, leading to early political mobilization.

In 1913, the **Ghadr Party** was founded in San Francisco by Lala Har Dayal and others. It published the *Ghadr* newspaper and aimed to overthrow British rule through armed revolution. The US provided space for such activism, though during World War I, it cooperated with Britain in the Hindu-German Conspiracy Trial (1917) against Ghadrites, reflecting the limits of US support.

3. Indian Nationalist Lobbying

Lala Lajpat Rai visited the US during 1914–19, writing *“The United States of America: A Hindu’s Impression”*, advocating India’s cause but critical of US silence on colonialism despite President Wilson’s rhetoric of self-determination.

Through the 1940s, the **India League of America**, led by J.J. Singh, lobbied Congress members and built sympathy for Indian independence among American elites.

4. Official US Stance during the Freedom Struggle

President Franklin D. Roosevelt personally favored Indian independence and raised the issue with Winston Churchill. The **Atlantic Charter (1941)**, affirming the right of all peoples to self-determination, was interpreted by Indian nationalists as applicable to India, though Churchill disagreed. This tension highlighted the gap between American ideals and strategic wartime priorities.

As independence neared, the Truman administration watched closely, and after 1947, the US was among the first to recognize India, though Cold War dynamics soon created distance.

5. Cultural Bridges

Mark Twain’s visit in 1896 and his sympathetic travelogue *Following the Equator* generated American public interest in India’s condition.

The establishment of American missionary schools and colleges (19th–early 20th century) contributed to India’s English-educated class and fostered people-to-people ties.

B. India–US Relations till 1971

1. Non-Alignment and Early Distance

In the first two decades after independence, India’s foreign policy was anchored in non-alignment and leadership of the Non-Alignment Movement. The guiding principle was to maintain maximum strategic distance from both Cold War power blocs, and as a result the United States remained a low priority in Indian diplomacy. Interaction was largely confined to the United Nations, while public attitudes at home were deeply ambivalent — official rhetoric routinely denounced America as a capitalist, exploitative power, yet the same critics privately welcomed the educational and material opportunities it offered.

2. US Policies that Created Distance

Washington’s early Cold War decisions steadily alienated Indian opinion. The United States took the Kashmir dispute to the UN Security Council, where its interventions were perceived in India as biased in Pakistan’s favour. More damaging still was America’s military embrace of Pakistan through its induction into CENTO and SEATO, and the supply of arms to a neighbour with whom India had an unresolved territorial conflict.

Together, these moves cemented a lasting impression in New Delhi that the United States was indifferent to India's core security concerns.

3. US Perception of India

From Washington's perspective, India's non-aligned posture looked increasingly like a tilt towards the Communist bloc. The Soviet Union was helping India build heavy industries, meeting its defence needs, and repeatedly wielding its veto at the UN on Kashmir. India's energetic role in launching and expanding the Non-Alignment Movement only deepened suspicion and aversion in American policy circles, reinforcing the narrative of an ungrateful and ideologically hostile partner.

4. The 1962 Sino-Indian War — A Brief

The Chinese invasion of 1962 triggered a sudden, dramatic shift. Prime Minister Nehru made an urgent appeal for American military assistance, and President Kennedy's administration responded swiftly with an airlift of arms and the dispatch of a high-level military mission. For a brief moment, the two democracies found themselves aligned against a common adversary, demonstrating the latent potential for strategic convergence beneath the accumulated mistrust.

5. 1965 India-Pakistan War and the Arms Embargo

The moment of alignment proved short-lived. During the 1965 India–Pakistan war, Washington imposed an arms embargo on both combatants, a move that disproportionately hurt India because of its existing dependence on American weaponry. The episode reinforced long-standing Indian perceptions of the United States as an unreliable partner and accelerated New Delhi’s drift towards the Soviet Union for its defence requirements.

6. Humanitarian Cooperation and Food Aid

Even in this period of estrangement, there were moments of critical humanitarian cooperation. India was devastated by twin droughts in 1965 and 1966, and millions of lives were saved through unprecedented shipments of American wheat under the PL-480 programme. However, President Lyndon Johnson’s “short-tether” policy — using food aid as a lever to extract economic and political concessions — injected a heavy dose of realpolitik into the act of compassion, leaving a deeply ambivalent legacy.

7. Drift towards the Soviet Union and the 1971 Treaty

The cumulative weight of these experiences — Pakistan’s arming, the 1965 embargo, and perceived American unreliability — pushed India decisively towards Moscow. In August 1971, New Delhi signed the Indo-Soviet Treaty of Peace, Friendship and Cooperation, securing a strategic shield just months before the Bangladesh War. The treaty fundamentally reordered the

subcontinent's strategic landscape and deepened the strangement between India and the United States, setting the stage for the turbulent 1971 war and its aftermath.

C. From 1998 to 2008

1. The Jaswant–Talbott Dialogue (1998–2000)

The sharp confrontation that followed Pokhran-II did not last long. Within weeks of the tests, India's External Affairs Minister Jaswant Singh and US Deputy Secretary of State Strobe Talbott began an intense diplomatic engagement — a series of ten rounds of talks spread over two years. The dialogue covered the entire gamut of strategic issues: nuclear policy, non-proliferation, China, and the future of the bilateral relationship. Though the two sides did not reach full agreement on India's nuclear status, the talks built a critical bridge of mutual understanding and prevented the relationship from descending into lasting hostility.

2. President Clinton's Historic Visit (March 2000)

The breakthrough came in March 2000, when Bill Clinton became the first US President to visit India in 22 years — the last having been Jimmy Carter in 1978. The visit was rich in symbolism and substance. Clinton spent five days in India, addressed Parliament, visited villages, and signalled a decisive American pivot away from viewing India through the prism of the Cold War. The joint statement, titled "A Vision for the 21st Century," laid down an institutional architecture for future cooperation,

setting the tone for a qualitatively new phase in bilateral relations.

3. “Natural Allies” and the Lifting of Sanctions

During Clinton’s visit, Prime Minister Atal Bihari Vajpayee famously declared India and the United States to be “natural allies in the 21st century.” This phrase captured the emerging bipartisan consensus in both capitals. Following sustained dialogue and India’s restraint on further nuclear testing, most of the sanctions imposed after Pokhran-II were progressively lifted. The economic and technology restrictions were gradually removed, reopening channels of defence cooperation, high-technology commerce, and strategic dialogue.

4. The Next Steps in Strategic Partnership (2001–2004)

The momentum was sustained under the George W. Bush administration, which decisively moved to transform the relationship. In January 2004, the two countries launched the “Next Steps in Strategic Partnership” (NSSP), a structured initiative to expand cooperation in four high-technology areas: civilian nuclear energy, civilian space programmes, high-technology trade, and missile defence. The NSSP bridged the trust deficit on proliferation issues and prepared the ground for a far more ambitious strategic compact.

5. The Civil Nuclear Deal — Ending Nuclear Apartheid (2005–2008)

The watershed moment came in July 2005, when Prime Minister Manmohan Singh and President George W. Bush signed the landmark

Civil Nuclear Cooperation Initiative. The United States committed to ending India's decades-long "nuclear apartheid" by granting it access to civilian nuclear technology and fuel, despite India not being a signatory to the Non-Proliferation Treaty. After three years of complex diplomacy — involving the passage of the Hyde Act in the US Congress, the negotiation of the 123 Agreement, an India-specific safeguards agreement with the IAEA, and a hard-fought exception granted by the Nuclear Suppliers Group

— the deal was finally concluded in 2008. It represented not merely a nuclear agreement but a fundamental political judgement by Washington to accept India as a responsible nuclear power and a strategic partner of the first order.

D. 8-2014

1. Operationalising the Civil Nuclear Deal

The period opened with the hard-won Civil Nuclear Deal finally cleared, but its implementation faced considerable hurdles. India passed the Civil Liability for Nuclear Damage Act in 2010, which placed the onus for accident damages on the supplier rather than the operator — a clause that made American companies, such as Westinghouse, hesitant to proceed. While the deal symbolised strategic trust, the inability to actually break ground on a US-supplied reactor project during UPA-II meant that the promise of full-fledged nuclear commerce remained largely unrealised, tempering expectations.

2. Deepening Defence and Strategic Cooperation

Despite nuclear commercial disappointments, the defence relationship accelerated significantly. The United States emerged as a top defence supplier, with India contracting for aircraft like the C-130J Super Hercules and the C-17 Globemaster, as well as maritime reconnaissance aircraft (P-8I Poseidon). Joint exercises expanded in scope and scale. In 2010, the two countries launched the Homeland Security Dialogue, signalling new-generation cooperation on counter-terrorism and intelligence sharing. The notion of India as a net security provider in the Indian Ocean began gaining traction in Washington during this phase.

3. The Afghan-Pak Trust Deficit

The most persistent irritant was the US strategy in Afghanistan and Pakistan. New Delhi watched warily as the Obama administration poured billions in military and economic aid into Pakistan, ostensibly for counter-terrorism purposes, even as India remained a primary target of Pakistan-based terror groups. The 2008 Mumbai attacks, carried out by

Lashkar-e-Taiba with links to Pakistani agencies, tested bilateral ties; while the US provided unprecedented investigative cooperation, India remained dissatisfied with Washington's reluctance to press Pakistan decisively. The drawdown of US forces from Afghanistan after 2011, and the engagement of the Taliban in talks, fuelled Indian fears of a strategic vacuum that would be filled by hostile proxies.

4. Iran Sanctions and Energy Friction

A second major friction point was Iran. Washington's tightening sanctions regime targeted Iran's oil exports and financial transactions, putting India

— heavily dependent on Iranian crude — in a difficult spot. India reduced its Iranian oil imports under pressure, but resisted completely severing ties with a historically friendly power and an important source of energy. The US also pushed India to scale back its involvement in Iran's Chabahar port project, a cornerstone of India's connectivity strategy towards Afghanistan and Central Asia. The constant balancing between US strategic demands and India's own energy and regional imperatives created a persistent undercurrent of tension.

5. The Devyani Khobragade Crisis and Diplomatic Chill

Relations plunged into a sharp diplomatic crisis in December 2013 when Indian diplomat Devyani Khobragade was arrested in New York on charges of visa fraud and underpaying her domestic worker. The manner of her arrest — she was handcuffed and subjected to a strip search — caused public outrage in India. New Delhi retaliated by withdrawing privileges from US diplomats, removing security barricades outside the US Embassy, and curtailing official exchanges. While the issue was eventually resolved with

her departure and a face-saving arrangement, it exposed a raw nerve and left behind a legacy of bitterness, temporarily stalling the momentum of high-level engagement.

E. 4-2024

1. Strategic Convergence and Leadership Chemistry

The arrival of the Modi government in 2014 injected fresh political will into the relationship. Prime Minister Modi's invitation to President Obama as the chief guest at India's 2015 Republic Day parade signalled a bold new personal rapport, and the joint statement of that year declared India a **Major Defence Partner** of the United States. This rapport endured through the transition from Obama to Trump and then to Biden, with Modi becoming the first Indian leader to address a joint session of the US Congress twice. The frequency of summits, phone calls, and direct personal diplomacy — including the “Howdy Modi” event in Houston in 2019 and the “Namaste Trump” rally in Ahmedabad in 2020 — reflected a relationship increasingly driven by domestic political consensus in both countries, particularly around countering China's assertiveness.

2. Major Defence Partner and the Foundational Agreements

In 2016, the United States formally designated India as a **Major Defence Partner**, a status that placed India on a level of defence technology and trade access comparable to that of America's closest allies.

This was followed by the signing of the three remaining foundational military agreements that had long stalled: **LEMOA** (2016), **COMCASA** (2018), and **BECA** (2020) — joining GSOMIA, which had been signed in 2002. Together, these four agreements enabled real-time operational intelligence sharing, secure communications, geospatial data transfer, and reciprocal logistics support, deepening interoperability and signalling a new level of mutual trust.

3. Defence Deals and Co-Production

Defence trade scaled unprecedented heights, with cumulative contracts crossing \$20 billion. India procured MQ-9B Predator drones, Apache and Chinook helicopters, P-8I maritime patrol aircraft, and M-777 howitzers. Beyond buyer-seller transactions, the period saw a conscious push towards co-development and co-production, anchored by the Defence Technology and Trade Initiative. The decision to co-produce GE-F414 jet engines in India, announced during Modi's 2023 state visit, represented a landmark step towards deep industrial integration. The **INDUS-X** platform, launched under iCET, further linked the innovation ecosystems of both countries' defence start-ups and private sectors.

4. Quad Revival and the Indo-Pacific Framework

The period witnessed the resurrection and institutionalisation of the Quadrilateral Security Dialogue. From a nascent officials-level meeting

in 2017, the **Quad** (India, US, Japan, Australia) was elevated to the foreign-minister level in 2019, and then to a leaders' summit in March 2021, hosted virtually by President Biden. The Quad expanded its agenda beyond maritime security to include vaccine production, critical and emerging technologies, climate, and infrastructure coordination — making it the central minilateral vehicle for India's Indo-Pacific strategy. India also joined the **Indo-Pacific Economic Framework (IPEF)** and deepened bilateral maritime domain awareness cooperation through the Information Fusion Centre in Gurugram.

5. The iCET and Technology Partnership

The launch of the **Initiative on Critical and Emerging Technology (iCET)** in January 2023 by the National Security Advisors marked a paradigm shift, explicitly linking technology leadership with strategic power. Under iCET, both countries accelerated collaboration in semiconductors (Micron's Gujarat facility), quantum computing, artificial intelligence, advanced telecommunications (Open RAN), and biotech. The US streamlined export controls, and a joint research and development roadmap was created for defence technology. This technological dimension separate from, but complementary to, defence — positioned innovation as the new driving force of the bilateral partnership.

6. Economic and Trade Consolidation

Despite periodic trade frictions — such as the US withdrawal of GSP

benefits in 2019 and Indian retaliatory tariffs — economic ties continued to grow. Bilateral trade crossed the \$190 billion mark, making the US India's largest trading partner. The **Trade Policy Forum** was reinvigorated, and dialogues on supply-chain resilience for critical minerals, semiconductors, and pharmaceuticals deepened. The record number of Indian students in the United States (over 3,00,000) and the swelling Indian-American community reinforced the powerful economic and human bridge that underpins the strategic edifice.

7. Energy, Climate and Health Cooperation

Convergence extended into newer domains. The **Strategic Clean Energy Partnership (SCEP)** and the **Climate Action and Finance Mobilisation Dialogue (CAFMD)** facilitated joint work on green hydrogen, solar energy, and electric mobility. India signed the **Artemis Accords** in 2023, joining the US-led framework for space exploration, and NASA-ISRO's joint NISAR satellite project moved forward. On the health front, the Quad Vaccine Partnership and joint pandemic preparedness efforts added a humanitarian dimension to the strategic alignment.

8. Managing Friction Points — Russia and Trade

The relationship, however, was not frictionless. India's continued purchase of the Russian S-400 air defence system triggered CAATSA sanctions warnings from the US Congress, though the Biden administration ultimately granted a tacit waiver in the larger strategic interest. India's calibrated stance on the Ukraine war — refusing to explicitly condemn Moscow and continuing to import Russian crude —

tested the patience of Washington and its European allies, even as American officials publicly acknowledged India's strategic autonomy. Trade disputes, digital services tax, H-1B visa curbs, and the indictment of an Indian official in the Pannun case periodically jolted the bilateral calendar, but none proved capable of reversing the overarching upward trajectory.

9. The 2023 State Visit — A Culmination

Prime Minister Modi's state visit to Washington in June 2023 — the highest level of diplomatic reception — encapsulated the decade's transformation.

The visit produced pathbreaking announcements across defence co-production (GE-F414 engines), technology (iCET acceleration), space, and visa facilitation. It showcased a partnership that had matured from a transactional engagement into a comprehensive, technology-driven, and geopolitically grounded strategic alliance, setting the stage for the next phase of the bilateral relationship.

1. A New Political Landscape

Prime Minister Narendra Modi's return for a third term in June 2024, albeit at the head of a coalition government, coincided with a volatile global environment. The real shock, however, came in January 2025 when Donald J. Trump was sworn in for a second, non-consecutive term as US President. Trump-2.0 immediately signalled a return to his signature "America First" unilateralism — levying sweeping tariffs, demanding reciprocal market access, and

intensifying immigration enforcement. For India, the challenge became one of preserving the strategic gains of the previous decade while navigating an unpredictable, intensely transactional White House.

2. Tariff Tensions and the Search for a Trade Deal

The most visible flashpoint was trade. In early 2025, the Trump administration announced reciprocal tariffs against key trading partners, targeting Indian exports ranging from automobiles and textiles to shrimp and pharmaceuticals. India, with an average applied tariff higher than the US, found itself squarely in the crosshairs. In response, New Delhi proposed a bilateral trade agreement, and negotiations were launched with the aim of reaching a limited early-harvest deal by late 2025. By mid-2026, talks remain ongoing — India offering greater agricultural and medical device access, while seeking restoration of GSP benefits and protection for its digital and industrial policy space. The trade front remains the single biggest source of transactional friction.

3. Immigration and the H-1B Flashpoint

Immigration resurfaced as a deeply emotive issue. The Trump administration's crackdown on illegal immigration led to the deportation of hundreds of Indian citizens, sometimes in heavily publicised military-aircraft flights, provoking sharp domestic reactions in India. At the same time, proposals to tighten H-1B visa norms, including higher wage thresholds and restrictions on dependent work permits,

directly threatened India's IT services backbone. The Indian diaspora, while still a formidable bridge, found itself at the centre of an uncomfortable conversation about legal migration, labour mobility, and the future of people-to-people ties in an era of American nativism.

4. Strategic Continuity and Defence Industrial Deepening

Remarkably, the strategic and defence cooperation did not stall. The Quad continued to function at foreign-minister and officials' levels, albeit without a leaders' summit in the early Trump-2.0 months, as both sides underscored the centrality of a free and open Indo-Pacific. The Major Defence Partner framework remained intact, and the co-production of GE-F414 jet engines, the induction of MQ-9B drones, and joint army exercises continued on track. The **INDUS-X** defence innovation bridge expanded, and exploratory talks on co-developing infantry combat vehicles demonstrated that defence industrial integration had developed sufficient institutional momentum to withstand political headwinds.

5. Technology Partnership Under iCET

The iCET umbrella proved resilient. Despite broader economic tensions, collaboration in critical and emerging technologies moved forward — the semiconductor fabrication ecosystem in India deepened with an additional American investment commitment, quantum research partnerships expanded, and an AI safety dialogue was launched. The US and India finalised a framework for secure supply chains in critical minerals, a priority for both clean-energy transitions and defence manufacturing. The technology partnership

thus served as a stabilising anchor, insulating the most forward-looking sector of the relationship from the cyclical storms on trade and visas.

6. Geopolitical Balancing — Russia, Iran and Chabahar

The frictions of the UPA-II era resurfaced but with a twist. India's continued import of discounted Russian crude, now a deeply structural dependence, drew sharper Congressional scrutiny under Trump-2.0, though the administration itself did not impose direct sanctions on Indian entities. The Chabahar port agreement with Iran — critical for India's connectivity to Afghanistan and Central Asia — was granted a narrow sanctions carve-out by Washington, but the situation remained

precarious. India demonstrated an increased confidence in asserting strategic autonomy, and Washington, focused on China, largely acquiesced — a pattern that defined the Modi-3.0 / Trump-2.0 relationship.

AREAS OF COOPERATION – CRITICAL UPDATES

Defense Cooperation:

1. The Strategic Rationale

Defence cooperation today forms the single most consequential pillar of the India–US partnership. As scholar Harsh V. Pant has argued, India is key to the United States' ability to create a stable balance of power in the larger Indo-Pacific; at a time of resource constraints,

America needs partners like India to shore up its sagging credibility in the region in the face of the Chinese onslaught. The cooperation is multifaceted, spanning institutionalised bilateral dialogues, foundational military agreements, defence procurement, and joint exercises of growing scale and complexity.

2. Bilateral Dialogue Mechanisms

2+2 Ministerial Dialogue

At the apex of the dialogue architecture sits the **2+2 Ministerial Dialogue**, pioneered in 2018. The discussions are co-chaired by India's Minister of External Affairs and Minister of Defence, and the US Secretary of State and Secretary of Defence. This forum provides high-level political guidance on the full spectrum of political, military, and strategic issues.

The fourth 2+2 Ministerial Dialogue took place in Washington DC in April 2022, and the mechanism has since become the principal steering engine of the defence relationship.

3. Defence Policy Group (DPG)

The second most important mechanism is the **Defence Policy Group**, the apex official-level body between India's Ministry of Defence and the US Department of Defence. The DPG comprehensively reviews and guides all aspects of bilateral defence cooperation, with a primary focus on policy alignment. Its 17th session was held in Washington DC in May 2023, reflecting the frequency and depth of engagement.

4. Other Specialised Forums

Beneath these apex bodies, a dense network of specialised mechanisms sustains day-to-day cooperation. The **Joint Technology Group (JTG)**, established as far back as 1995, serves as a forum for sustained engagement between defence technologists of both countries. The **Defence Trade and Technology Initiative (DTTI)** is another critical mechanism, aimed at eliminating bureaucratic obstacles, accelerating procurement timelines, promoting collaborative technology exchange, and enabling the co-production and co-development of defence systems. Together, these forums ensure that the dialogue is not merely political but deeply technical and institutional.

5. The Four Foundational Agreements

The United States has four foundational defence agreements that it signs with its closest partners. The Pentagon describes them as routine instruments used to promote military cooperation. India,

shedding its historical reluctance, has now signed all four, a step that fundamentally transformed interoperability.

GSOMIA (2002): The General Security of Military Information Agreement was the first, signed in 2002. It enables the sharing of military intelligence and requires each country to protect the other's classified information, laying the basic trust foundation for all subsequent pacts.

LEMOA (2016): The **Logistics Exchange Memorandum of Agreement**, signed on 29 August 2016, permits the military of either country to use the other's bases for re-supplying, refuelling, or carrying out repairs. It is not a basing agreement but a logistical enabler, significantly enhancing the operational reach of both navies in the Indian Ocean.

COMCASA (2018): The **Communications Compatibility and Security Agreement** was signed during the inaugural 2+2 dialogue in September 2018. It enables secure communication and encrypted information exchange on approved equipment during bilateral and multinational exercises and operations, closing a major capability gap for India's armed forces.

BECA (2020): The **Basic Exchange and Cooperation Agreement**, signed in 2020, permits the exchange of unclassified and controlled unclassified geospatial products — topographical, nautical, and aeronautical data — between India and the US National Geospatial-Intelligence Agency. BECA significantly enhances the precision of India's missile and drone operations, particularly along the contested Himalayan frontier.

5. Technology Cooperation — DTTI and iCET

Beyond the foundational agreements, the technology partnership has deepened through newer institutional vehicles. The **Defence Trade and Technology Initiative (DTTI)** promotes co-development and co-production, moving the relationship from a buyer-seller dynamic toward industrial integration. More recently, the **Initiative on**

Critical and Emerging Technology (iCET), announced in May 2022 and officially launched in January 2023, has added a transformative new layer. Its pillars include strengthening the defence innovation ecosystem, resilient semiconductor supply chains, space cooperation, STEM talent, and next-generation telecommunications. Under iCET, the **INDUS-X** platform has linked the defence start-up and private-sector ecosystems of both countries, fostering joint innovation in artificial intelligence, autonomous systems, and cyber warfare.

6. Defence Procurement — Major Defence Partner Status

India was granted the status of **Major Defence Partner (MDP)** by the United States in December 2016. In 2018, the Trump administration placed India in the **Strategic Trade Authorisation-1 (STA-1)** list, easing export controls for high-technology product sales and placing India in a category previously reserved for America's closest allies and partners.

India's defence procurement from the United States has grown substantially, crossing **\$20 billion** since 2008. Major US-origin platforms now in Indian service include the **C-130J Super Hercules**, **C-17 Globemaster**, **Apache attack helicopters**, **Chinook heavy-lift helicopters**, **MH-60R Seahawk multi-role helicopters**, and the **P-8I Poseidon** maritime patrol aircraft. More recent acquisitions include the **MQ-9B Predator** armed drones and the decision to co-produce **GE-F414 jet engines** in India — a landmark step toward genuine defence industrial co-production.

However, two structural limitations persist. First, the United States still distinguishes between technology transfers to formal allies and those to non-allies, meaning India does not yet enjoy the completely

unrestricted access reserved for NATO members or countries like Japan and Australia. Second, despite the growth in American defence imports, Russian systems still constitute the largest share of India's overall defence inventory, even if their relative weight is declining.

7. SIPRI Data — India's Defence Import Profile

- The SIPRI report for 2018–2022 provides a useful empirical snapshot of India's defence import landscape.
- India remained the world's biggest importer of major arms during 2018–2022, a position it has held consistently since 1993.
- India accounted for **11% of total global major arms imports**, followed by Saudi Arabia at 9.6%.
- **Russia** was the largest supplier in both 2013–17 and 2018–22, but its share of total Indian arms imports fell sharply from **64% to 45%**.
- In the 2018–2022 period, **45%** of India's defence imports came from Russia, **29% from France**, and **11% from the USA**.
- India's arms imports from France increased almost fivefold between the two periods, displacing the USA as the second-largest supplier.
- India was the recipient of **37% of Israel's**, **31% of Russia's**, and **30% of France's** total major arms exports during 2018–2022.
- For comparative context: Pakistan accounted for **54% of China's** total major arms exports, while **77% of Pakistan's** defence imports came from China in the same period.

- These figures underscore a key structural reality: while the United States has made significant inroads, the diversification of India's defence imports is a slow, multi-decade process, and Russian platforms, though declining in share, remain numerically dominant.

8. Military Exercises — Scale and Complexity

India conducts the largest number of military exercises with the United States, and these are steadily growing in both scale and complexity. The two countries hold regular bilateral exercises across all service branches:

- **Yudh Abhyas** — Army
- **Vajra Prahar** — Special Forces
- **Malabar** — Navy (also includes Japan and Australia as permanent Quad partners)
- **Cope India** — Air Force
- **Tiger Triumph** — Tri-service exercise

Beyond the bilateral framework, India and the United States also participate together in major multilateral exercises, including **Red Flag** (air combat) and **RIMPAC** (maritime warfare, the world's largest international naval exercise). This dense calendar of joint training has

built a high degree of interoperability and mutual familiarity between the two armed forces, transforming the relationship at the human and operational level.

The Rise of China,

1. China as a Central Factor:

- China is an indispensable factor in India–US ties.
- For the US: India is a large, democratic power to help shape the Asian balance against China.
- For India: post-Doklam (2017) and Galwan (2020), external balancing through the US is central to its China strategy.
- Practical benefit: “Beijing takes Delhi more seriously because Washington does.”

2. Shared Interests in Managing China’s Rise:

- Both seek to manage China’s rise peacefully but firmly. Neither wants a dominant China with themselves on the periphery.
- Pragmatic recognition that China will play a major role, but concern centres on the *nature* of that role: respect for sovereignty, law, and freedom of navigation vs. coercion, revisionism, and debt-trap diplomacy.
- Coordination mechanisms: **East Asia Dialogue** (strategic environment of the Indo-Pacific) and the **Quad** (with Japan, Australia) to uphold a free, open, rules-based order against Chinese assertiveness.

3. The Delicate Equilibrium — Neither G2 Nor Conflict:

- **India’s fears:**

- A too-cosy Sino-US relationship (G2 condominium) → marginalises India.
- A full Sino-US conflict → destabilises the region, disrupts supply chains, forces India into an unwinnable choice.
- US fears:
 - India-China conflict → drags the US into an unwanted war.
 - India-China bonhomie → reduces US influence, unnerves allies (Japan, Australia, Philippines).

4. The Cautious Imperative — Not Solely About China:

- A partnership based solely or predominantly on the China threat is neither desirable nor sustainable.
- A single-point alliance collapses if the threat recedes; a mature relationship needs a positive agenda — technology, trade, climate, education, health — that generates its own momentum.
- China catalysed the current intensity, but the long-term architecture requires a broader foundation. Both capitals have consciously absorbed this lesson.
- Neither side wants the other too close to or too distant from Beijing.

Economic Interests:

1. Expanding Trade Partnership

- FY2023: US is India's largest trading partner – goods trade

128 billion, services 58 billion.

2. Composition of Goods Trade

- India exports: textiles, gems & jewellery, pharma, petroleum, machinery, electronics, steel, autos.
- India imports: crude oil, LNG, rough diamonds, coking coal, machinery, electronics, medical equipment, gold.
- Pattern: Indian exports are manufactured/consumer goods; US exports are energy and capital goods, matching India's development needs.

3. Services Trade

- 60% of Indian IT revenue comes from the US.
- 2022 services trade: 58billion (25 bn US exports to India, \$33 bn US imports from India) – India's competitive edge in digital services.

4. Trade Surplus

- 2022–23: 28 billion goods surplus + 8 billion services surplus with the US.
- This surplus is a key friction point in tariff and market-access talks, especially under Trump 2.0.

5. Investment Flows

- US FDI stock in India (2022): ~\$50 billion (tech, finance, e-commerce, manufacturing).
- Indian FDI stock in US: ~\$3.7 billion.

- Major US firms (Amazon, Google, Meta, Apple) are expanding in India, signaling a long-term bet on its consumer market.

A] Indian Diaspora:

1. Size and Socio-Economic Profile

- ~4.4 million Indian Americans — third largest Asian ethnic group in the US.
- Exceptionally well-educated and affluent; median household incomes far above the national average.
- Significant vote bank, courted by both parties; rising representation at the highest levels (Vice Presidency, Congress, Cabinet).

2. Political Lobbying and Policy Influence

- Lobby shifted toward India's interests over time.
- Helped shape the 1965 Immigration Act, enabling large-scale Indian migration.
- Post-1998 nuclear tests, NFIA campaigned to relax sanctions; contributed to US pushing NSG restrictions removal.
- Now routinely pressures US officials through campaigns and political tools for pro-India positions.

3. Economic Linkages and FDI Advocacy

- Highly organised community; regular visits to India, substantial remittances.
- Numerous advocacy groups and PACs work on strategic and

trade issues.

- Diaspora seen as an indispensable conduit to lobby for larger US FDI into India (currently below potential).

4. Cultural Bridge and National Branding

- Yoga, cuisine, festivals, cinema, spirituality now mainstream in the US — mutual goodwill.
- Both governments recognise diaspora as a mutually benefitting asset.
- Disseminates India's culture, enhancing soft power and national branding beyond official diplomacy.

B] INDUS-X — Bridging Defence and Innovation

- Launched under the iCET umbrella to link the defence innovation ecosystems of both countries.
- Brings together start-ups, venture capital, research institutions, and defence procurement agencies.
- Co-develops next-gen military tech: autonomous systems, AI-enabled warfare tools, cyber capabilities, advanced sensors.
- Shifts the defence relationship from buyer-seller to genuine industrial and technological co-creation. Leverages India's growing private tech sector and America's defence innovation base.
- Alongside INDUS-X, bilateral MoUs on AI and quantum computing deepen the foundation for trusted technology flows between the

two democracies.

C] Semiconductor Supply Chain Partnership

- US CHIPS Act provides incentives to diversify semiconductor supply chains; India positioned as a key partner.
- Micron's semiconductor assembly and test facility in Gujarat — backed by US CHIPS incentives and Indian support — a landmark project.
- Beyond Micron: expanding fabrication capacity, securing critical minerals for chip manufacturing, aligning tech security policies to reduce Chinese dependency.
- Collaboration is not just economic but fundamentally strategic — aimed at securing digital infrastructure for both nations.

D] Civilian Space Cooperation

- India signed the **Artemis Accords** (2023) — aligning with US-led vision of peaceful, transparent, rules-based space exploration, including lunar mining norms.
- **NISAR satellite** (NASA-ISRO): ambitious joint mission for high-resolution climate, disaster, and earth-observation data.
- Human spaceflight cooperation advancing: Indian astronauts training at NASA, potential collaboration on crewed missions and space station activities.

E] The iCET Framework — A Paradigm Shift

- Launched January 2023 by NSAs of India and the US.
- Links technology leadership directly to strategic power.
- Covers AI, quantum computing, advanced telecom (Open RAN), biotech, clean energy.
- Not just a dialogue — an action-oriented framework to remove regulatory barriers, align export controls, and foster joint R&D and production.
- Goal: build trusted democratic innovation ecosystems outside China's orbit, recognising future technologies determine the global balance of power.

Energy, Climate and Health:

A] The Institutional Architecture

- Energy, climate, and health are now key pillars — both developmental and strategic.
- **SCEP**: Principal umbrella for clean energy deployment and innovation — links government, research, and private sector.
- **CAFMD** (under India–US Climate and Clean Energy Agenda 2030 Partnership): Focus on climate finance, scaling renewables, aligning decarbonisation pathways with Paris NDCs.

B] Joint Efforts on Green Hydrogen and Renewables

- Joint task force under SCEP for green hydrogen: harmonise standards, cut costs, build supply chains for hard-to-abate

sectors (steel, cement, heavy transport).

- Also covers grid-scale renewable integration, energy storage, and smart grid modernisation.
- US DFC and other agencies exploring financing for India's 500 GW non-fossil fuel capacity target by 2030.

C] Electric Vehicle Battery Supply Chains

- Shared concern: China's dominance in battery mineral processing and cell manufacturing is a strategic vulnerability.
- Cooperation to diversify and secure critical minerals (lithium, cobalt, nickel, rare earths) through coordinated investment, technology sharing, and alternative processing hubs.
- Joint R&D on next-gen battery chemistries, recycling, and domestic cell manufacturing under iCET and SCEP — linking clean energy to the broader tech and strategic partnership.

D] Pandemic Preparedness and the Quad Health Security Partnership

- COVID-19 catalysed health security cooperation.
- **Quad Health Security Partnership:** pandemic preparedness, surveillance, and response capacity across the Indo-Pacific.
- India and US anchor genomic sequencing, early warning systems, and strengthening public health infrastructure in

third countries.

- **Quad Vaccine Partnership** (2021): combined Indian manufacturing, US technology, Japanese financing, and Australian logistics to produce and deliver vaccines — a key minilateral health diplomacy effort.

E] Bio-Manufacturing and the Future of Health Cooperation

- Long-term bio-manufacturing collaboration beyond pandemic response.
- Joint investment in API production to reduce global single-source dependence.
- Development of vaccines and therapeutics using cutting-edge biotech platforms.
- Shared research on antimicrobial resistance (AMR).
- Covers the entire health security value chain: R&D, clinical trials, manufacturing, supply-chain resilience.
- Positions India and the US as leading nodes in a diversified, democratic global health architecture.

Education and People-to-People Ties

1. Indian Students — The Knowledge Bridge

- Indian students are the largest foreign-student cohort in the US, crossing 3,00,000.
- They contribute billions annually to the US economy and form an enduring intellectual bridge.

- Returning students carry back networks, research links, and cultural familiarity.
- Numbers continue to rise despite political uncertainty and visa friction, showing demand driven strength.

2. Academic and Research Partnerships

- **GIAN (India):** Hundreds of US academics teach short-term courses at Indian institutions, fostering curriculum modernization and joint research.
- **US agencies (NSF, NIH, Department of Energy):** Fund collaborative research in AI, clean energy, public health, material sciences.
- These grants are increasingly aligned with strategic frameworks like iCET, linking academia directly to the technology partnership.

3. Fulbright-Nehru and Other Exchange Programmes

- **Fulbright-Nehru Programme:** Flagship bilateral exchange, co-funded, supporting thousands of scholars and professionals across disciplines.
- Builds a generation of leaders with cross-cultural experience and democratic values.
- Complementary initiatives: **Passport to India, Raman-Charpak fellowships**, STEM-focused mobility schemes.
- Ensures the educational bridge is reciprocal, building mutual understanding among future elites.

4. The Broader Canvas of People-to-People Ties

- Tourism flows are substantial and growing, both directions.
- Indian soft power — yoga, festivals, cuisine — is now an everyday American experience.
- Professional networks, alumni associations, community organisations form a dense, government-independent web.
- This societal foundation gives the partnership unique resilience: the human bridge holds even when official ties face headwinds.

Contentious Issues in India–US Relations**A] Trade and Tariff Conflicts**

Trade disputes remain the most persistent economic friction. The Trump 2.0 administration's reciprocal tariffs from April 2025 initially targeted Indian exports, spurring tense negotiations for a limited bilateral trade deal by late 2025. India's longstanding grievances include the 2019 withdrawal of GSP benefits, American non-tariff barriers, demands for greater agricultural market access, and intellectual property pressures.

Washington, in turn, objects to India's high tariffs on automobiles, dairy, and medical devices, as well as its digital services tax. These commercial flashpoints coexist uneasily with deepening strategic cooperation, demanding constant trade diplomacy.

B] Immigration and Visa Regime

Immigration is a volatile fault line. The H-1B visa programme, vital for Indian IT professionals, suffered heightened curbs and rejection rates under Trump 1.0, and renewed uncertainties under Trump 2.0 have deepened anxieties. The deportation of undocumented Indians, restrictions on H-4 dependent work permits, and a massive green card backlog disproportionately affect the Indian diaspora. These measures directly threaten the competitiveness of India's IT services sector and have a chilling effect on Indian students weighing study and work prospects in the United States.

C] Geopolitical Frictions – Russia and Iran

India's strategic autonomy on Russia and Iran remains a persistent irritant. The purchase of the S-400 air defence system triggered CAATSA sanctions, though Washington ultimately granted a tacit waiver given larger strategic considerations. India's sustained import of discounted Russian crude after the Ukraine invasion has been largely tolerated by the US, but fuels Congressional criticism and strains allied solidarity. On Iran, India's investment in Chabahar port — crucial for connectivity to Afghanistan and Central Asia — has received a narrow sanctions carve-out, yet remains vulnerable to the broader US sanctions regime, creating perpetual uncertainty.

D] Human Rights, Democracy, and Religious Freedom

Normative divergences have sharpened in recent years. The US State Department's annual reports consistently flag concerns over religious freedom in India, generating diplomatic pushback from New Delhi. A

far more serious rift erupted with the US indictment alleging the involvement of an Indian official in an assassination plot against Khalistani activist Gurpatwant Singh Pannun on American soil — a case that touched core issues of sovereignty and rule of law. Congressional hearings and occasional administration criticism over alleged democratic backsliding have added a low but persistent hum of discord, testing the “shared values” narrative underpinning the partnership.

E] Environmental and Intellectual Property Issues

Deep-seated tensions persist on environmental and IP fronts. India adheres to the principle of “Common But Differentiated Responsibilities” and resists externally imposed emission targets, clashing with US expectations for faster decarbonisation. American pressure on carbon-intensive sectors — through measures analogous to the EU’s Carbon Border Adjustment Mechanism — threatens Indian exports. In parallel, US concerns over pharmaceutical intellectual property, especially India’s use of compulsory licensing and its stance against “evergreening” of drug patents, keep trade-related IP friction alive, balancing public health imperatives against innovation incentives.

F] Digital and Data Sovereignty

The digital domain has emerged as a new battleground over sovereignty and market access. India’s data localisation norms, its restrictive e-commerce policy favouring domestic platforms, and the 2%

equalisation levy (digital services tax) on foreign tech firms have drawn fierce US opposition, including threats of retaliatory tariffs under Section 301.

Disputes over social media regulation — including platform accountability and content takedowns — remain stalled between India's push for digital sovereignty and America's defence of free flow of data and speech, reflecting fundamentally different regulatory philosophies.

Multilateral and Minilateral Frameworks

A] The Quad — Strategic Minilateral in the Indo-Pacific

The Quadrilateral Security Dialogue (India, US, Japan, Australia) has evolved from a dormant 2007 idea into the premier minilateral platform for the Indo-Pacific. Elevated to the leaders' summit level in 2021, the Quad now spans working groups on vaccines, climate, critical and emerging technologies, infrastructure, and maritime domain awareness. It serves as the operational hub for democratic coordination in the region, signalling a collective commitment to a free, open, and rules-based order, while carefully avoiding the formal alliance label that would trigger sharp Chinese reaction.

B] I2U2 — A New Trans-Regional Architecture

The **I2U2** grouping (India, Israel, UAE, US), launched in 2021, represents an innovative trans-regional minilateral focused on pragmatic collaboration. Its agenda centres on tangible projects: food corridors linking Indian agricultural technology with Emirati logistics

and Israeli innovation, and joint investments in clean energy, including hybrid renewable projects in India. By bringing together middle-power and great-power partners across Asia and the Middle East, I2U2 reflects the emerging pattern of issue-based, flexible coalitions that bypass the traditional bloc politics of the Cold War era.

C] IPEF — Economic Engagement Without Tariff Liberalisation

The **Indo-Pacific Economic Framework (IPEF)**, launched by the Biden administration in 2022, offers a novel model of economic partnership that excludes traditional tariff reduction. India joined all four pillars — trade facilitation, supply chain resilience, clean energy, and anti-corruption — though it initially opted out of the trade pillar, with negotiations subsequently progressing on mutually acceptable terms. IPEF allows India to engage with the US-led economic architecture of the Indo-Pacific without the market-access concessions

that have long stalled deeper trade integration, making it a strategically calibrated engagement.

D] UNSC Reform — Endorsement Without Action

The United Nations Security Council remains the unfinished business of the multilateral partnership. President Biden explicitly endorsed a permanent seat for India in a reformed UNSC in 2021, a position reaffirmed by the administration and supported by both Congressional and Executive sentiment. Yet this rhetorical backing has produced no concrete progress, as procedural hurdles, entrenched opposition from status-quo powers, and a lack of

sustained US diplomatic investment in the reform process have kept the promise symbolic. The gap between endorsement and delivery underscores the limits of American commitment to restructuring global governance in India's favour.

Trump 2.0 Effects (2025–2026)

A] Tariff Upheaval

President Trump's second term began in January 2025 with reciprocal tariffs, directly hitting Indian exports. Negotiations for a limited bilateral trade deal were launched almost immediately, with a target conclusion by autumn 2025. Trump-2.0's wider assault on the multilateral trading order and open questioning of traditional alliances created a volatile external environment, reinforcing India's push for economic diversification while testing its capacity to extract concessions from a transactional Washington.

B] Quad and Defence Cooperation

The Quad survived but was deprioritised — no leaders' summit took place in the first year, though ministerial-level meetings and working groups continued. Defence cooperation, by contrast, showed considerable inertia. The foundational agreements, Major Defence Partner status, and flagship programmes (GE-F414 co-production, MQ-9B drones) remained on track, insulated by deep institutional habits and a shared threat perception regarding China.

C] Immigration Stress

Immigration became the sharpest bilateral irritant. Large-scale deportation flights carrying undocumented Indians generated domestic backlash in India. Simultaneously, tightened H-1B scrutiny, continued H-4 uncertainty, and the perennial green-card backlog strained the IT services model and student mobility. The diaspora, once a source of undisputed soft power, found itself on the defensive in an increasingly nativist American political climate.

D] Strategic Navigation

India compartmentalised. Trade and immigration were treated as transactional disputes; defence, technology, and Indo-Pacific coordination were shielded. Washington's central preoccupation with China gave New Delhi the leverage to continue Russian crude imports and maintain the Chabahar port project without triggering crippling sanctions. The relationship absorbed high friction without structural breakdown — a stress-test managed through pragmatism and the recognition in both capitals that the strategic cost of rupture outweighed the political appeal of confrontation.

Views of Scholars

A] Rakesh Sood

A former diplomat and disarmament expert, Rakesh Sood offers a measured, historically-grounded perspective on India-US ties. He highlights the foundational significance of the civil nuclear deal as a political watershed, while consistently cautioning that strategic

autonomy remains the organising principle of Indian foreign policy.

Sood has argued that India must maintain a delicate balancing act on Russia and avoid over-alignment with any single power, even as the relationship with Washington deepens. His writings stress that the partnership is not an alliance in the making but a convergence of interests that requires constant, clear-eyed management.

B] Happymon Jacob

Happymon Jacob, a scholar of conflict resolution and Track-II diplomacy, emphasises the human and military-to-military dimensions of India–US relations. Through extensive engagement with security establishments on both sides, he has argued that trust-building at the operational level — joint exercises, officer exchanges, and institutional dialogues — is the bedrock that sustains the relationship through political turbulence. His work, including the book *Line on Fire* on the India–Pakistan ceasefire, informs his broader argument that the India–US partnership must be resilient enough to absorb shocks, a quality it has steadily acquired.

C] C. Raja Mohan

One of India’s most influential strategic commentators, C. Raja Mohan has shaped the conceptual vocabulary of the relationship. He popularised the idea of “**de-hyphenation**” — India’s post-Cold War move to deal with the US and Pakistan independently — and later advanced the notion of an “**inverted triangle**” in Asia, where India and the US act as balancing poles against a rising China. His recent work describes India’s foreign policy as a pragmatic exercise in multi-

alignment, where the US is a critical partner but not the sole anchor. Raja Mohan consistently emphasises the Indo-Pacific construct and India's growing comfort with minilateral frameworks like the Quad.

D] Harsh V. Pant

Harsh V. Pant, a prolific scholar at the Observer Research Foundation (ORF) and King's College London, focuses on the hard-security dimensions of India-US ties. He argues that India is indispensable to the United States' ability to sustain a stable balance of power in the Indo-Pacific, especially at a time of American resource constraints. Pant has written extensively on the Quad, iCET, and the defence industrial partnership, asserting that technology co-development and a shared threat perception on China are transforming the relationship beyond episodic engagement into a structural, interest-driven convergence.

E] S. Jaishankar

As External Affairs Minister and author of *The India Way*, S. Jaishankar embodies the intellectual and operational pivot in India's US policy. He argues that India must practise strategic autonomy while engaging the United States deeply and unapologetically, on its own terms. Jaishankar has publicly defended India's import of Russian crude and its calibrated stance on the Ukraine war as exercises of sovereign choice, while simultaneously driving defence and technology cooperation with Washington. His handling of sensitive episodes — including the Pannun indictment — reflects a doctrine of assertive, non-deferential diplomacy, insisting that the relationship has moved from “dealing with” to “working with” each other.

F] Key American Voices

While your list includes the name **Robert Boggs** — not a widely recognised figure in India–US scholarship — several American thinkers have shaped the bilateral conversation.

- **Ashley J. Tellis**, a key architect of the civil nuclear deal, frames India as a vital partner in managing China’s rise and advocates deep technology and defence industrial cooperation.
- **Richard Verma**, the first Indian-American US Ambassador to India, emphasises people-to-people ties, economic integration, and the democratic character of the partnership.
- **Kenneth Juster**, another former Ambassador, focuses on operationalising the Quad, expanding defence trade, and ensuring that minilateral frameworks deliver tangible outcomes.
- **Michael Kugelman** offers a regional lens, analysing how Pakistan, Afghanistan, and great-power competition affect the viability and limits of India–US convergence.

These American voices collectively argue that India is not merely a partner of convenience but a structural element of US strategy in the Indo-Pacific, though each underscores different mechanisms — technology, diplomacy, or economics — as the key to unlocking the relationship’s full potential.

Unit – 20

INDIA RUSSIA RELATIONS

INDIA-RUSSIA RELATIONS
A TIME-TESTED PARTNERSHIP

1. INTRODUCTION

India and Russia share an exceptionally durable relationship, transcending political changes and global upheavals.
Formally designated a “Special and Privileged Strategic Partnership”.
Built on deep mutual trust, a legacy of Cold War era cooperation, and a shared interest in a multipolar world.

“For us, Russia is a valued partner, a time tested partner. It is a relationship from which both India and Russia have benefited enormously.”
– S. Jaishankar, EAM (Dec 2023)

2. THE FOUR PILLARS OF THE PARTNERSHIP

- 1. DEFENCE COOPERATION**
A path-dependent defence supply chain. Russia remains India's largest defence supplier.
- 2. MULTIPOLAR WORLD ORDER**
Joint commitment to a multipolar international order and reform of global institutions.
- 3. COUNTERBALANCING ADVERSARIES**
Shared imperative to counter the China-Pakistan axis and regional security challenges.
- 4. WARINESS OF US UNILATERALISM**
A common view on the need to resist dominance of any one power in global affairs.

3. TODAY: A RELATIONSHIP IN TRANSITION

RUSSIA'S GROWING TIES WITH CHINA
Russia's strategic reliance on China has increased, creating new complexities for India.

UKRAINE WAR & WESTERN SANCTIONS
Russia's invasion of Ukraine and resultant sanctions have placed India in a delicate balancing act.

ENERGY REALISM
India has sharply increased purchase of discounted Russian crude, making Russia India's top oil supplier.

DEFENCE DIVERSIFICATION
India is diversifying defence imports towards Western and indigenous sources, reducing over-dependence on Russia.

HISTORICAL DRIVER (1960s–1970s)
To jointly offset the China-Pakistan axis, especially after US support for Pakistan and Washington's opening to Beijing.
The 1971 Treaty of Peace, Friendship and Cooperation formalised this strategic alignment.

PRINCIPLED POSITION ON UKRAINE
India abstains from endorsing Moscow's actions in Ukraine and calls for dialogue & diplomacy.

4. THE ROAD AHEAD

- Continue strategic engagement based on mutual trust and respect
- Focus on energy security, connectivity and economic cooperation
- Strengthen defence cooperation while building self-reliance (Atmanirbhar Bharat)
- Work together for a stable, multipolar and peaceful world order

THE BOTTOM LINE
From a Cold War era alliance to a modern-day strategic partnership – the India–Russia relationship endures, adapting to new realities while safeguarding mutual interests.

“New Delhi's sentimental attachment to the Moscow relationship has steadily been replaced by a sense of realism ... Modi appears determined to manage this new source of dissonance with calm amid the unfolding turbulence in great power relations.”
– C. Raja Mohan

Introduction

A Time-tested Partnership India and Russia have maintained an exceptionally durable relationship, transcending political changes in New Delhi and systemic upheavals in Moscow. Formally designated a “Special and Privileged Strategic Partnership”, the bond is built on deep mutual trust, a legacy of Cold-War-era cooperation, and a shared interest in a multipolar world. As External Affairs Minister S. Jaishankar reaffirmed during his December 2023 visit to Russia, “For us, Russia is

a valued partner, a time-tested partner. It is a relationship from which both India and Russia have benefited enormously.”

The relationship has historically rested on four interlocking pillars: a path-dependent defence supply chain, a joint commitment to a multipolar international order, a common imperative to counterbalance adversarial neighbours, and a persistent mutual wariness of US unilateralism. During the 1960s and 1970s, the most urgent driver was the need to jointly offset the China-Pakistan axis, especially after US support for Pakistan and Washington’s opening to Beijing. India’s strategic alliance with the Soviet Union — formalised in the 1971 Treaty — was thus as much a response to regional threats as it was an ideological alignment.

Today, that inherited partnership is being tested by profound structural shifts. Russia’s growing strategic reliance on China, its full-scale invasion of Ukraine, and the consequent Western sanctions have placed India in a complex balancing act. While India has sharply increased its purchase of discounted Russian crude — making Russia its top oil supplier — it has simultaneously diversified its defence imports toward Western and indigenous sources, and it abstains from endorsing Moscow’s actions in Ukraine. As C. Raja Mohan observes, “New Delhi’s sentimental attachment to the Moscow relationship has steadily been replaced by a sense of realism ... Modi appears determined to manage this new source of dissonance with calm amid the unfolding turbulence in great power relations.” The relationship endures, but it is being recast from a near-alliance into a

transactional yet still-valued partnership, shaped increasingly by hard-headed energy, connectivity, and geopolitical calculations.

A] 1947–1971 — Early Convergence and the 1971 Treaty

After independence, the Soviet Union viewed India as a stable, populous post-colonial state and a leader of the non-aligned and anti-colonial movements — a potential partner to counter American influence in Asia. For India, the Soviet Union emerged as a crucial economic and defence ally, offering industrial aid and military supplies while providing consistent diplomatic support, notably on the Kashmir dispute at the UN. During Cold War crises such as the 1968 Soviet invasion of Czechoslovakia, India often voted with the Soviet Union or abstained rather than joining Western condemnation. The 1962 Sino-Indian war had already jolted India, and Moscow's neutrality — coupled with its growing rift with Beijing — pushed New Delhi closer. The Sino-Soviet split, driven by ideological, territorial, and personal rivalries, made China a common adversary. These converging interests led to the signing of the **Indo-Soviet Treaty of Peace, Friendship, and Cooperation** in August 1971, which provided India a strategic shield just months before the Bangladesh war, while the Soviet Union gained a reliable Asian partner.

B] 1971–1991 — Peak Strategic Partnership

The Treaty stayed in force until the USSR's collapse, marking two decades of extraordinarily close ties. The Soviet Union became India's largest defence supplier, transferred advanced military technology, and helped build heavy industries such as steel and power plants.

Moscow consistently backed India on Kashmir and provided crucial diplomatic cover during the 1971 war, including the dispatch of a nuclear-armed submarine to counter the US Seventh Fleet. India, in turn, maintained a delicate position during the 1979 Soviet invasion of Afghanistan — officially calling for withdrawal but stopping short of full condemnation, reflecting its dependent alignment. The 1980s, under Rajiv Gandhi, witnessed high-level visits and continued military-technical cooperation, cementing the relationship as the unshakable pillar of Indian foreign policy, even as the Soviet economy began to falter.

C] 1991–2014 — Post-Soviet Drift and Restoration

The dissolution of the Soviet Union in 1991 led to a period of neglect. Russia's first post-Soviet foreign minister, Andrei Kozyrev, pursued a pro-Western course, and the bilateral relationship lost its earlier warmth. The **1993 Treaty of Indo-Russian Friendship and Cooperation**, which replaced the 1971 pact, conspicuously omitted the security clause. The situation changed after Yevgeny Primakov became foreign minister in 1996 — a US-sceptic who vigorously advocated a multipolar world and Asian outreach, particularly toward India and China. This pivot led to the **2000 Indo-Russian Strategic Partnership**, signed during President Putin's visit, which commanded broad political support in India. Through the 2000s, the two countries deepened cooperation in nuclear energy (the Kudankulam project), defence (joint development of the BrahMos missile, licensed production of Su-30MKI aircraft), and space. Trilateral and multilateral forums — **RIC** (Russia-India-China) and **BRICS** — were launched to advance multipolarity and counter

American unipolarity.

The **Shanghai Cooperation Organisation (SCO)** , initially without Indian membership, later expanded to include both India and Pakistan in 2017, largely with Russian backing.

D] 2014–2022 — Post-Crimea Reorientation

Russia's 2014 annexation of Crimea triggered US and EU sanctions, forcing Moscow to pivot more decisively toward Asia. India-Russia ties were not directly strained, but new tensions crept in. Russia began drawing closer to China — including arms sales and joint military exercises — and deepened its engagement with Pakistan, thereby diluting its role as a reliable counterbalance to India's adversaries. India, meanwhile, signed the **S-400 air defence system** deal in 2018, despite the looming threat of US CAATSA sanctions. The relationship held firm, but the strategic context was shifting: Russia was no longer India's sole defence or energy option, and India's growing ties with the US and the Quad introduced a new complexity.

E] 2022–Present — Ukraine War and Structural Stress

The February 2022 Russian invasion of Ukraine marked the most significant rupture since the Cold War. India carefully refrained from condemning Russia publicly, but its practice changed: at the UN, India began abstaining on most resolutions critical of Moscow, and in September 2022, Prime Minister Modi directly told President Putin at the SCO summit that “today's era is not of war.” India also voted to allow Ukrainian President Zelensky to address the UN General Assembly by video — the first wartime vote where it did not side with Russia or abstain. Economically, India dramatically

increased imports of discounted Russian crude, making Russia its top oil supplier, while struggling to operationalise rupee-rouble payment mechanisms and facing stalled defence deliveries due to Russia's war consumption and sanctions. The relationship endures but is no longer an automatic convergence; it is being recalibrated into a transactional, energy-driven partnership in which India maintains strategic autonomy, even as Russia's deepening dependence on China reduces its utility as a counterbalance.

“Political and Security Issues”

A] Post-1991 Realignment and Foundational Agreements

The dissolution of the Soviet Union forced a recalibration of the political relationship, but shared security concerns and the emergence of non-traditional threats in their shared neighbourhoods sustained the alignment. Three foundational documents anchored the post-Cold War phase: the **1993 Treaty of Friendship and Cooperation** (which replaced the 1971 security pact but omitted its strategic clauses), the **1994 Moscow Declaration on the Protection of the Interests of Pluralist States**, and the **2000 Strategic Partnership Agreement**, which formalised a new, more flexible framework of political and security engagement.

B] Drift After 9/11 — Diverging Strategic Perspectives

The launch of “Operation Enduring Freedom” in 2001 shifted the regional power dynamics. Russia viewed the post-9/11 environment as demanding a cooperative, multilateral approach, while India, as a rising power, sought a larger Asian role that required closer ties

with multiple great powers, including the United States. These evolving strategic perspectives generated a subtle drift in India-Russia political relations, as Moscow's traditional centrality in India's security calculus began to compete with India's growing global engagements.

C] Privileged Partnership and Russian Diplomatic Support

During his 2010 visit to New Delhi, President Dmitry Medvedev described India as a **"Privileged Strategic Partner"**, at a moment when the US-led coalition was preparing to draw down from an undecided war in Afghanistan. Russia has consistently backed India's claim to a **permanent seat on a reformed UN Security Council** and has supported India's membership in bodies such as **APEC** and the **Shanghai Cooperation Organisation (SCO)**. This backing materialised when India was granted full SCO membership at the Ufa Summit in July 2015, largely with Russian sponsorship.

D] Friction Points — Afghanistan, Taliban, and Pakistan

Despite the broad political goodwill, clear divergences emerged. India and Russia have held differing assessments of the counter-insurgency campaign in Afghanistan, and their perceptions of the Taliban and the role of Pakistan have evolved along separate tracks. Russia's post-2017 engagement with the Taliban, and its deepening ties with Pakistan through joint military exercises, chipped away at the perception of Russia as a reliable counterbalance to India's western front.

E] Crimea and Ukraine — India's Studied Ambiguity

Russia's incorporation of Crimea in May 2014 on the basis of a local referendum created unease in New Delhi, which has consistently opposed territorial revisionism. On the broader Ukraine crisis, India chose not to publicly criticise Russia, maintaining a studied ambiguity driven by its deep defence and technological interests with both Russia and Ukraine.

This calibrated silence was the precursor to the more overt balancing act that would follow the 2022 full-scale invasion.

A] Trade Volume & Stagnation

- Bilateral trade traditionally stuck around 15 billion (vs. 100+ bn with US/China).
- FY 2023 exception: surged to ~\$50 billion due to massive Russian crude imports.

B] Reasons for Low Trade

- Logistical challenges and distance rather than legal/political barriers.
- Unlike China, US, EU, Russia lacks seamless trade routes with India.

C] Institutional Mechanism

- **IRIGC-TEC (1994)**: apex forum to explore trade, economic, scientific, technological, and cultural cooperation.

D] Regional & Private Sector Cooperation

- New feature: Russian regions partner with Indian states (e.g., Astrakhan–Gujarat, Samara–Karnataka).
- Emphasis on involving private sectors (traditionally dominated by PSUs).
- Joint ventures e.g., Uralmash (Russia) + SRB International (India) for heavy mining/steel equipment.

E] FTA with Eurasian Economic Union (EaEU)

- Negotiations launched for an FTA with the 5-member Russia-led EaEU.
- Expected to boost Indian exports in engineering, electronics, agriculture.

F] Post-Ukraine Sanctions Opportunity

- Western sanctions gave India an opening in Russian market.
- India identified 24 products Russia previously imported from US/EU (livestock, machinery, plastics, cars, pharma).
- Food exports (vegetables, milk, fruit, meat, unprocessed food) surged.

G] Energy Cooperation

- India invested >\$2.5 billion in Sakhalin-1; sought 20% stake in Sakhalin-3.
- ONGC Videsh bought 15% stake in Rosneft unit (2015).
- Joint Study Group examining feasibility of a direct

hydrocarbon pipeline.

H] Civil Nuclear Cooperation

- Kudankulam NPP: Unit 1 operational (largest in India), Unit 2 nearing commissioning, Units 3 & 4 under construction.
- Liability law concerns resolved; Russia signed agreement for Units 3 & 4.
- Russia provided technical assistance and a loan of ~\$1 billion.

“Defence Cooperation”

A] The Strongest Pillar

Defence cooperation remains the “strongest and most durable” factor in India-Russia relations. Despite India’s determined efforts to diversify arms imports and boost indigenisation, the legacy partnership has persisted. It is sustained by deep path dependence: the need for Russian spare parts, decades of Indian operator familiarity with Soviet and Russian platforms, and the business interests of defence enterprises in both countries engaged in joint projects.

B] Historical Dependence and Rationale

For decades, Soviet and Russian weaponry provided India a cost-effective means of building and maintaining a large, well-armed military. Cheaper than Western alternatives, it allowed India to afford a

substantial force, while earlier attempts to acquire Western systems or develop domestic alternatives often yielded disappointing results. India's intelligence, surveillance, and reconnaissance capabilities, for example, were significantly enhanced by the export of Russian remote sensing technology, which also gave the Indian military a reliable alternative to the US-controlled Global Positioning System.

C] The Extent of Reliance — and Its Decline

The overwhelming dependence is captured by a 2014 SIPRI report: **75% of India's total arms imports between 2009 and 2013 came from Russia.** However, the relationship began to lose its near-monopoly when competitive bidding was introduced. In April 2011, India failed to shortlist the MiG-35 for the Medium Multi-Role Combat Aircraft (MMRCA) contract, which was eventually won by France's Rafale. The Russian Ambassador publicly expressed dismay, claiming the Chinese Sukhoi could "shoot Rafale fighters like mosquitoes" and pointedly noting the absence of US defence technology transfers to India.

D] Friction Points — Delays and Cost Overruns

Operational friction accompanied the strategic drift. The Indian Navy faced years of cost escalation and delays in the delivery of the refurbished aircraft carrier Admiral Gorshkov (renamed INS Vikramaditya). The vessel arrived in 2013, four years behind schedule. When the delays first surfaced in 2007, then Navy Chief Admiral Suresh Mehta openly criticised Russia, stating that India should "consider the future of its relations with Russia."

E] Modi's Reassurance and the "Make in India" Pivot

Ahead of his December 2015 Moscow visit, Prime Minister Modi sought to ease tensions by calling Russia India's "principal defence" ally. The two leaders agreed to strengthen the strategic partnership under the "Make in India" framework, with plans to manufacture components of nuclear reactors and military helicopters in India. The BrahMos cruise missile — a flagship joint venture — became the exemplar of this co-production model.

F] Current Negotiations and the Diversification Imperative

The two sides are now negotiating agreements covering the co-design and development of a fifth-generation fighter aircraft, the **S-400 air defence missile system**, and another Akula-class nuclear submarine on lease. Yet even as these negotiations proceed, India's drive to diversify its arms sources — motivated by its own great-power aspirations and the need to reduce over-dependence — continues to reshape the relationship. The defence partnership is no longer exclusive, but it remains foundational.

"Energy Cooperation"

A] The Foundation — Hydrocarbon Investments

Energy has long been a quiet but critical pillar of India–Russia ties, long before the Ukraine war elevated it to centre stage. India's state-owned ONGC Videsh Ltd. invested over **US\$2.5 billion** in the Sakhalin-1 oil and gas project in Russia's Far East, acquiring a 20% stake. In 2015, it

further bought a **15% stake** in a unit of Russia's Rosneft, giving India a direct foothold in Russian upstream production. These legacy investments, while modest by global standards, provided the institutional and commercial foundation for the dramatic energy surge that was to follow.

B] Nuclear Energy — The Kudankulam Backbone

Civil nuclear cooperation is the most visible and enduring symbol of energy partnership. The **Kudankulam Nuclear Power Plant** in Tamil Nadu, built with Russian technical and financial assistance, is India's largest nuclear power station. Unit 1 is fully operational, Unit 2 commenced power generation, and construction of Units 3 and 4 is underway, with Russia providing a loan of around **US\$1 billion**. After initial friction over India's nuclear liability law — which placed financial onus on the supplier — the issue was resolved, and Russia agreed to proceed with Units 3 and 4. Talks for Units 5 and 6, and a potential second Russian-designed site, signal continued mutual commitment.

C] Pipeline Dreams and the INSTC

A persistent ambition has been a direct hydrocarbon pipeline linking Russia and India, a project that has been examined by a **Joint Study Group**. While the vast geography and geopolitical obstacles across Central

Asia and Pakistan make an overland pipeline infeasible in the near term, the **International North-South Transport Corridor (INSTC)** offers a multimodal alternative. Once fully operational, the INSTC could significantly reduce the transit time and cost of energy shipments between Russia and India via Iran, providing a strategic connectivity link independent of China and the Suez Canal.

D] The Post-2022 Oil Surge

The February 2022 Ukraine invasion and the consequent Western sanctions dramatically restructured the energy relationship. With Russian crude barred from many European markets and sold at a discount, India sharply ramped up purchases. By early 2023, Russia had become

India's **largest single supplier of crude oil**, displacing Iraq and Saudi Arabia. Bilateral trade, historically stuck around 15 billion, surged to over 50 billion in FY2023, driven overwhelmingly by hydrocarbon imports. This development served India's domestic energy security and inflation management, while giving Moscow a vital export lifeline. It also, however, opened India to Western diplomatic pressure and secondary-sanctions risk, forcing a delicate balancing act.

E] LNG, Coking Coal, and the New Energy Agenda

Beyond crude oil, the energy basket has diversified. India has increased imports of Russian **liquefied natural gas (LNG)** and **coking coal**, essential for its steel and power sectors. Looking ahead, the two countries are exploring collaboration in **green hydrogen**, nuclear Small Modular Reactors (SMRs), and renewable energy technologies,

seeking to update the energy partnership for a decarbonizing world. The energy relationship, once a quiet enabler, has now become the most dynamic and voluminous component of India–Russia economic ties — structurally significant yet geopolitically fraught.

“Connectivity and Trade Routes”

A] The INSTC — A Multimodal Lifeline

The **International North-South Transport Corridor (INSTC)** is the flagship connectivity project between India and Russia. Conceived in 2000 and ratified by multiple countries, it envisions a 7,200-km multimodal network of sea, rail, and road links connecting Mumbai to Moscow via Iran’s Bandar Abbas port and the Caspian Sea. For both nations, the INSTC promises to slash transit time by up to 40% and cut freight costs by 30% compared to the Suez Canal route, providing a strategic alternative that bypasses Chinese-dominated sea lanes and unstable Middle Eastern chokepoints. India has invested heavily in

Iran’s **Chabahar port**, a dedicated INSTC node, giving it direct access to Afghanistan and Central Asia without transiting Pakistan.

B] Chennai-Vladivostok Maritime Corridor

At the 2019 Eastern Economic Forum, Prime Minister Modi and President Putin announced the **Chennai-Vladivostok Maritime Corridor**, a sea route linking India’s southeastern coast with Russia’s Far East. The corridor aims to unlock trade in energy, diamonds, machinery, and agricultural products, while fostering joint investment

in the resource-rich Russian Far East — a region where India already holds hydrocarbon stakes in Sakhalin. Unlike the INSTC, which uses Iran as a land bridge, this corridor is a direct maritime link, leveraging the vast Pacific coastline and reducing dependence on the volatile land routes of Central Asia.

C] Northern Sea Route Cooperation

Russia's rapid development of the **Northern Sea Route (NSR)** along its Arctic coastline has opened a new frontier for connectivity. As climate change reduces ice cover, the NSR offers a significantly shorter passage between Asia and Europe compared to the Suez Canal. India and Russia are exploring cooperation in Arctic shipping, with India's state-owned companies examining participation in NSR infrastructure, ice-breaker services, and energy resource extraction. In 2023, Russia invited India to jointly develop the eastern maritime corridor that connects Vladivostok with the NSR, positioning India as a long-term Arctic stakeholder.

D] Chabahar and the Iranian Link

The success of India-Russia connectivity rests heavily on Iran. India's operational control of the Shahid Beheshti terminal at Chabahar port, and Russia's interest in connecting its own trade networks to the Indian Ocean via Iran, align the three countries' interests. In 2023, Russia and Iran signed an agreement to build the **Rasht-Astara railway**, the final missing link in the western INSTC branch, with India providing logistical and investment support. Once complete, this will create a seamless rail corridor from St. Petersburg to the Indian

Ocean, fundamentally altering the Eurasian trade geography.

E] Strategic Rationale

For India, these connectivity projects reduce dependency on China-dominated shipping routes, provide an alternative to

Pakistan-blocked overland trade with Central Asia, and enable direct access to Russian energy and mineral resources. For Russia, they offer a warm-water trade outlet and a way to pivot trade flows eastward amid Western sanctions. Collectively, the connectivity agenda forms the hard infrastructure of multipolarity — a tangible, bricks-and-mortar dimension of the otherwise political rhetoric of a “special and privileged” partnership.

“Multilateral Engagement”

A] The Shanghai Cooperation Organisation (SCO)

The **Shanghai Cooperation Organisation** is the most institutionalised multilateral platform where India and Russia sit together. Originally formed in 2001 by Russia, China, and Central Asian states, the SCO expanded to include India (and Pakistan) as full members at the Ufa Summit in July 2015, largely with Russian backing. The forum allows both countries to coordinate on regional security, counter-terrorism, Afghan stability, and connectivity. Despite the awkward co-presence of China and Pakistan, Russia values India’s participation as a counterweight to Beijing’s dominance within the SCO, while India

uses the platform to maintain a direct line into Eurasian security discussions.

B] BRICS — The Multipolar Engine

BRICS (Brazil, Russia, India, China, South Africa) is the premier economic and political vehicle for advancing multipolarity. Conceived in the mid-2000s, it gave institutional shape to the shared India-Russia desire to counter Western unipolarity. The group's tangible achievements include the **New Development Bank (NDB)**, headquartered in Shanghai but with regional offices in member states, which has financed infrastructure and sustainability projects in both India and Russia. BRICS expansion in 2023 — admitting six new members including Iran, Saudi Arabia, and the UAE — further reinforced the grouping's heft, with both Moscow and New Delhi supporting enlargement as a means to dilute Western dominance of global financial and political institutions.

C] RIC — A Triangle Under Strain

The **Russia-India-China (RIC)** trilateral forum, launched in the early 2000s, was intended as a strategic triangle to advance a shared vision of a multipolar order. Foreign-minister-level meetings were held regularly until the late 2010s. However, the format has effectively stalled since the 2020 Galwan clash between India and China. While Russia has periodically attempted to revive the RIC as a mediator and balancer, New Delhi remains cautious, unwilling to return to trilateral normalisation until the border standoff with Beijing is resolved. The frozen RIC thus symbolises both the enduring logic of

multipolar coordination and its sharp limits in the face of unresolved bilateral conflicts.

D] United Nations and Security Council Reform

Russia has been a steadfast supporter of India's aspiration for a **permanent seat on a reformed UN Security Council**, a commitment reaffirmed at multiple bilateral summits. Unlike the United States and other P-5 members, Russia's endorsement has been unambiguous and free of hedging, framing India as a "strong and worthy candidate." Beyond the rhetorical backing, the two countries regularly coordinate positions on broader UN issues — counter-terrorism, climate finance, and sovereignty-related resolutions — reflecting a deeply aligned worldview in global governance debates.

E] The G20 and Other Platforms

Russia extended full support to India during its **G20 Presidency in 2023**, even as Western powers sought to isolate Moscow. President Putin opted to skip the New Delhi Leaders' Summit, sending Foreign Minister Lavrov, and facilitated a consensus on a Leaders' Declaration that avoided direct condemnation of Russia, marking a diplomatic success for India. Beyond the G20, the two countries also consult within the **East Asia Summit**, the **Conference on Interaction and Confidence Building Measures in Asia (CICA)**, and **ASEAN-centric** forums, ensuring that their multilateral agendas remain broadly aligned even as their bilateral equations with other powers diverge.

“Space, Science & Technology”

A] A Legacy of Space Cooperation

Space collaboration between India and Russia is one of the oldest and deepest planks of their scientific engagement, predating independent India's space programme. The Soviet Union launched India's first satellite, **Aryabhata**, in 1975, and its first remote-sensing

satellite, **Bhaskara-I**, in 1979. In 1984, Wing Commander Rakesh Sharma became the first Indian in space aboard a Soviet Soyuz mission, a landmark moment that cemented the partnership's human dimension. Decades later, Russia continues to provide critical technologies, including cryogenic engines and crew training, for India's space ambitions.

B] Gaganyaan and Human Spaceflight

Russia is a central partner in India's **Gaganyaan** human spaceflight programme. Under a 2019 agreement, four Indian Air Force test pilots underwent rigorous training at Russia's Yuri Gagarin Cosmonaut Training Centre, familiarising themselves with Soyuz-type systems, survival techniques, and zero-gravity protocols. Russia is also supplying critical hardware, including crew seats, life-support systems, and space suits, while Indian engineers gain hands-on exposure to Russian human-rated launch vehicle technology. This cooperation is foundational to India's goal of independently launching its first crewed mission.

C] GLONASS and Navigation Cooperation

Russia's **GLONASS** satellite navigation system provides the Indian military with a reliable, non-Western alternative to the US-controlled GPS. India has been a partner in GLONASS since the early 2000s, with ground stations on Indian soil that improve the system's accuracy. The two countries have also explored interoperability between GLONASS and India's own regional navigation system, **NavIC**, enhancing resilience and reducing dependence on any single navigation constellation — a quietly strategic technological convergence.

D] Satellite Launches and Joint Science Missions

Beyond navigation, the Russian launch vehicle **Soyuz** has been used by India's ISRO to place heavier payloads into geostationary orbit through the European-operated Guiana Space Centre. Joint science missions and payload exchanges continue, including cooperation on lunar and planetary exploration. As India's Chandrayaan and Mars Orbiter missions have matured, Russian expertise in orbital mechanics, deep-space tracking, and cryogenic propulsion has remained a valued, though now less publicly visible, input.

E] Science, Technology and Innovation

The **India-Russia Working Group on Science and Technology**, operating under the IRIGC-TEC framework, funds joint research in advanced materials, biotechnology, laser physics, and Arctic science. Russian institutions collaborate with Indian counterparts through the **BRICS Science, Technology and Innovation** framework and under

bilateral **Integrated Long-Term Programmes (ILTP)** . Thousands of Indian scientists and engineers trained in the Soviet Union during the Cold War; today, exchanges continue through fellowships, joint PhD programmes, and new-generation partnerships in artificial intelligence, quantum computing, and clean energy, ensuring the scientific bridge remains well-trafficked.

“People-to-People and Cultural Ties”

A] Historical Cultural Affinity

Cultural ties between India and Russia run deep, rooted in a shared literary and philosophical curiosity that predates diplomatic formalities. Russian intellectuals of the 19th century, most notably Leo Tolstoy, engaged deeply with Indian philosophy, the Vedas, and the Bhagavad

Gita. Tolstoy’s correspondence with Mahatma Gandhi on non-violence and civil disobedience created a direct ideological bridge. During the Soviet era, Russian translations of the Ramayana, Mahabharata, and works of Tagore and Premchand became widely read, embedding Indian culture in the Russian popular consciousness.

B] Yoga, Cinema, and Soft Power

Indian cultural exports have found a receptive audience in Russia. Yoga enjoys widespread popularity, with dedicated studios across major Russian cities and state recognition following the UN’s 2014 International Day of Yoga designation. Bollywood films, from Raj Kapoor’s classics of the 1950s to contemporary blockbusters, have

historically drawn large Russian audiences, while Indian classical dance troupes and music ensembles perform regularly at Russian cultural festivals. Conversely, Russian ballet, literature, and classical music continue to command respect among Indian elites, sustaining a genuine two-way cultural exchange.

C] Education and Student Exchanges

The Soviet Union educated thousands of Indian professionals — engineers, doctors, scientists — many of whom returned to build India's public sector and research institutions. Today, Russia remains a significant destination for Indian medical students, with thousands enrolled in Russian universities offering affordable, WHO-recognised degrees. Bilateral scholarship schemes, such as the Russian Government's quota for Indian students and the **Indian Council for Cultural Relations (ICCR)** fellowships for Russian scholars, maintain a steady pipeline of academic mobility. While the numbers are modest compared to the US or Europe, the legacy of educational trust remains intact.

D] Tourism and Travel

Tourism flows between the two countries, though still below potential, are growing. Russia's "Golden Ring" cities and Moscow-St. Petersburg circuit attract Indian tourists, while Goa and Kerala are favoured destinations for Russian leisure travellers. Visa facilitation — including Russia's introduction of an e-visa for Indian nationals — has eased travel barriers. Medical tourism, particularly from Russia to India for

high-quality, low-cost procedures, is an expanding niche, further diversifying people-to-people contact.

E] Indian Diaspora in Russia

The Indian diaspora in Russia is small — estimated at around 15,000 to 30,000 — but concentrated in business, academia, and services. The community is anchored by organisations such as the **Indian Association of Russia** and the **Hindu Samaj**, which organise cultural events, celebrate Indian festivals, and provide a support network for new arrivals. While lacking the numbers and political clout of the diaspora in the US or UK, it serves as a functional bridge, fostering community-level goodwill between the two societies.

F] Institutional Mechanisms

Bilateral cultural cooperation is institutionalised through the **Cultural Exchange Programme (CEP)**, periodically renewed under the IRIGC-TEC framework. **Days of Indian Culture in Russia** and **Days of Russian Culture in India**, organised by the ICCR and its Russian counterparts, bring artists, exhibitions, and performances to each other's cities. The **Jawaharlal Nehru Cultural Centre** in Moscow and the **Russian Cultural Centre** in New Delhi function as permanent nodes for language classes, film screenings, and public diplomacy, ensuring that cultural ties remain resilient even when geopolitical currents shift.

“Contentious Issues and Challenges” “Ukraine War and India’s Balancing Act”

A] A Policy of Studied Neutrality

Russia’s full-scale invasion of Ukraine in February 2022 placed India in an acute strategic dilemma. New Delhi declined to publicly condemn Moscow — a partner of seven decades — but it also refused to endorse the invasion. At the United Nations, India consistently **abstained** on resolutions critical of Russia, while calling for dialogue, respect for territorial integrity, and an immediate ceasefire. This calibrated neutrality was designed to preserve both the legacy relationship with Russia and India’s growing strategic convergence with the West.

B] The “Era Not of War” Signal

The most visible shift from passive abstention to active signalling came at the **SCO summit in Samarkand (September 2022)**, where Prime

Minister Modi publicly told President Putin that “today’s era is not of war.” The remark, made in front of other leaders, was widely interpreted as India’s first direct, public criticism of the invasion. It signalled that New Delhi, while unwilling to join the Western sanctions camp, was not indifferent to the conflict and would not unconditionally shield Moscow in multilateral forums.

C] The Oil Factor and Sanctions Navigation

Paradoxically, the war deepened India's energy dependence on Russia. Facing Western sanctions and a G7 price cap, Moscow offered crude at significant discounts. India's imports surged, making Russia its **top oil supplier in 2023**, with bilateral trade ballooning to over \$50 billion. New Delhi insisted these purchases were legal and necessary for its energy security, while the West reluctantly accepted them as a stabilising factor that prevented a global oil price shock. The balancing act was nakedly transactional: India condemned no one, secured cheap energy, and kept its diplomatic options open.

D] Managing Western Pressure

The West, particularly the United States and the European Union, consistently pressed India to distance itself from Russia. Visits by European leaders and US officials frequently included calls for a stronger Indian stance. India, in turn, leveraged its partnerships to extract concessions — a temporary waiver for Chabahar port activities, tacit US acceptance of continued Russian oil imports, and continued supply of spare parts for Russian-origin defence platforms through third-country arrangements. The balancing act was less about choosing sides and more about creating diplomatic space to act independently.

E] The Diplomatic Tightrope — A Summary

India's position on the Ukraine war is best understood as an exercise in **strategic autonomy under pressure**. It has preserved the core Russia relationship — energy, defence, diplomatic consultation — without alienating the Western democracies that are central to its technology, trade, and Indo-Pacific ambitions. The cost has been reputational: Western commentary frequently lumps India with fence-sitters. But the gain is real: India has emerged as one of the few major powers capable of speaking to both Moscow and Washington simultaneously, a status it intends to retain. The Ukraine crisis has, therefore, not broken the India-Russia relationship but forced it into a new, narrower, more transactional channel, where sentiment is giving way to hard-headed cost-benefit calculation.

“CAATSA and Sanctions Risk”

A] The CAATSA Legislation

The **Countering America's Adversaries Through Sanctions Act (CAATSA)**, enacted by the US Congress in 2017, mandates secondary sanctions on any country engaging in “significant transactions” with Russian defence and intelligence sectors. Unlike ordinary sanctions, CAATSA targets third countries — not just Russia — creating a direct

conflict between India's longstanding defence ties with Moscow and its rapidly deepening strategic partnership with Washington. The law grants the US President waiver authority, but the legislative threshold is high, requiring certification that the sanctioned country is reducing its Russian defence dependence.

B] The S-400 Trigger

India's \$5.4 billion deal for five regiments of the Russian **S-400 Triumph air defence system**, signed in October 2018, became the immediate flashpoint. Despite US warnings that the purchase could trigger CAATSA sanctions, India proceeded, citing its sovereign right to determine defence procurement and its critical need for advanced air defence against China and Pakistan. The first S-400 squadron was delivered in December 2021, at the height of the LAC standoff with China. Washington was now confronted with a stark choice: sanction a vital strategic partner or erode the credibility of its own sanctions regime.

C] The Strategic Waiver

The Biden administration ultimately chose pragmatism over punishment. While never formally announced as a CAATSA waiver — which would require Congressional notification — the administration signalled through actions and omissions that India would not be penalised. The logic was strategic: sanctioning India would jeopardise the Quad, iCET, and the entire Indo-Pacific balancing architecture at a time of escalating Chinese assertiveness. The Trump-2.0

administration, despite its transactional bent, has inherited this de facto exemption, recognising that CAATSA action against India would be self-defeating. The S-400 deliveries continued, and no sanctions materialised — a tacit American admission that the China threat trumps the proliferation-sanctions playbook.

D] The Chilling Effect Beyond S-400

While the S-400 deal itself escaped sanctions, CAATSA has cast a long shadow over the broader India-Russia defence and economic relationship. Indian financial institutions have become extremely cautious in processing payments for Russian defence imports, fearing US secondary sanctions on the banking channel. The **rupee-rouble payment mechanism**, established to circumvent the SWIFT ban, has struggled precisely because Indian banks fear exposing themselves to US Treasury action. Future large-ticket Russian defence acquisitions — such as additional frigates, submarines, or joint fifth-generation fighter projects — face a new deterrent calculus, with the CAATSA sword hanging over every transaction.

E] The Way Forward — Diversification as De-Risking

India's response to CAATSA has been structural, not rhetorical. Rather than seeking repeated waivers, New Delhi is systematically reducing its Russian defence dependency — not to appease Washington, but as a matter of long-term strategic prudence. The share of Russian arms imports has fallen from 75% (2009-13) to under 45% (2018-22), and indigenous production under "Make in India" is gaining

traction. By diversifying and indigenising, India is slowly rendering the CAATSA threat less acute. The sanctions risk has not disappeared — it lingers in the financial and payment infrastructure — but its potency has been substantially blunted by a combination of American strategic forbearance and Indian structural de-risking.

“Payment Mechanism Crisis”

A] The SWIFT Disconnect

Western sanctions on Russia after February 2022 included the removal of major Russian banks from the **SWIFT** messaging system, the backbone of international financial transfers. Overnight, the conventional dollar- and euro-denominated payment channels between India and Russia were severed. Since a large portion of India’s imports — particularly crude oil and defence equipment — was settled through these channels, both countries faced an urgent need to devise alternative payment mechanisms to keep trade flowing.

B] The Rupee–Rouble Vostro Mechanism

India and Russia responded by operationalising a **rupee–rouble trade settlement mechanism**. Under this arrangement, Indian banks opened special **Vostro accounts** with Russian banks, allowing Russian exporters to receive payments in Indian rupees. The Reserve Bank of India approved several such accounts, and the mechanism was intended to bypass dollar dependency, stabilise bilateral trade, and insulate the relationship from Western financial sanctions.

C] The Trade Imbalance and Rupee Accumulation

The mechanism soon ran into a fundamental structural problem: the trade is overwhelmingly one-sided. India imported vast quantities of discounted Russian crude — pushing bilateral trade to over \$50 billion — but Indian exports to Russia remained anemic. Russian banks accumulated **billions of rupees in Vostro accounts** with little to spend them on, as the rupee is not fully convertible and the global market for Indian goods and assets is limited. Russia reportedly paused the mechanism in mid-2023, unwilling to hold a depreciating currency with restricted utility.

D] Stalled Defence Payments and Project Delays

The payment crisis directly hit the defence relationship. Payments for the S-400 systems and other ongoing contracts could not be cleared through conventional routes. Russia halted deliveries of certain spare parts and delayed negotiations on new projects, citing unresolved payment modalities. Indian financial institutions, wary of triggering US secondary sanctions, remained cautious even with the Vostro arrangement, creating a dual bottleneck — technical (currency convertibility) and political (sanctions compliance).

E] The Search for a Workable Fix

Both sides continue to explore durable solutions: **third-currency settlements** (yuan, dirham), expanded trade in goods to balance the accounts, Russian investments in Indian equity and debt markets as a rupee recycling channel, and even barter-like arrangements for specific commodities. However, no comprehensive fix has been found. The payment crisis thus encapsulates the broader recalibration of the India-Russia relationship — structurally necessary, operationally difficult, and constrained by the geopolitical choices of both nations. Until resolved, it will remain a persistent drag on the full potential of bilateral commerce.

“Declining Defence Dependency”

A] The Legacy of Over-Dependence

For much of the Cold War and its immediate aftermath, India’s defence posture was overwhelmingly reliant on Soviet and later Russian hardware. A 2014 SIPRI report captured the peak of this dependence: between 2009 and 2013, **75% of India’s total arms imports** originated from Russia.

From main-battle tanks (T-72, T-90) and infantry combat vehicles (BMP-2) to frontline fighter aircraft (Su-30MKI, MiG-29) and naval platforms (INS Vikramaditya, Kilo-class submarines), the Indian military’s backbone was built on Russian equipment. This dependence conferred Moscow a degree of strategic leverage that shaped India’s foreign policy choices for decades.

B] The Diversification Drive

The trend has shifted decisively. By the 2018–2022 period, Russia’s share of Indian arms imports had fallen to **45%**, and the trajectory continues downward. India has actively diversified its procurement basket: French Rafale fighters and Scorpene submarines, American MQ-9B drones, C-17 and C-130 transport aircraft, Apache and Chinook helicopters, and Israeli AWACS, radars, and precision munitions now populate Indian inventories. The Medium Multi-Role Combat Aircraft (MMRCA) contract, the naval fighter competition, and artillery modernisation have all favoured Western, Israeli, and indigenous options over Russian bids.

C] The Drivers of the Shift

Several structural forces are accelerating the drift. **Indigenous production** under the “Make in India” and “Atmanirbhar Bharat” frameworks — Tejas fighters, Arihant submarines, Akash and Astra missiles — is designed to reduce import dependency across the board, including on Russia. **Technology transfer** from the West, facilitated by the foundational agreements with the US and the iCET umbrella, offers India access to next-generation capabilities that Russia’s stagnating defence industrial base cannot match.

Operational factors matter too: delays in Russian deliveries (INS Vikramaditya, S-400 components, Krivak-class frigates), cost escalations, and quality concerns have eroded buyer confidence. Most critically, Russia’s war in Ukraine has revealed that Moscow’s own

military consumption will limit its export capacity for the foreseeable future, while sanctions complicate maintenance, spare parts, and payment settlements for existing Russian platforms.

D] Impact on Russia's Position

The decline in defence dependency has altered the bilateral power equation. India is no longer a captive buyer; it has credible alternatives. This has reduced Russia's political leverage and forced it to compete on commercial and technological terms. The shift also diminishes Russia's ability to influence India's strategic choices in the Indo-Pacific, where its own alignment with Beijing and Islamabad undermines its role as a natural balancer. For India, reduced dependency means greater strategic autonomy — the freedom to deepen ties with the Quad and the West without over-anxiety about Russian reactions.

E] Residual Path Dependence

Yet the dependency is declining, not vanishing. India's existing inventory — 60–70% of its military hardware by some estimates — is of Russian origin, requiring a steady supply of spares, munitions, and maintenance for decades. Flagship joint ventures like **BrahMos** and the leased nuclear submarine (INS Chakra) create ongoing, high-level interdependencies. The S-400 system, now fully deployed, represents a multi-decade commitment. Russia also remains a reliable partner for certain niche technologies — nuclear-powered submarines,

hypersonic missiles, advanced air defence — where Western alternatives are either unavailable or prohibitively expensive. The relationship, therefore, is being recalibrated from a near-monopoly to a more selective, niche-oriented partnership.

F] The Road Ahead — Calibrated, Not Abandoned

India's declining defence dependency on Russia is a slow, deliberate, structural transition, not a rupture. It reflects India's broader grand-strategic evolution: diversifying options, building indigenous capacity, and pursuing multi-alignment rather than exclusive partnerships. Russia will remain a significant defence partner, but it will increasingly be one among several, its relative weight gradually diminishing. This decoupling — partial, pragmatic, and paced — is arguably the single most significant long-term transformation underway in the India-Russia relationship.

“Trade Asymmetry”

A] The Persistent Imbalance

India–Russia trade has historically been weighed heavily in Russia's favour. For decades, India's imports—dominated by defence hardware, crude oil, and bulk commodities—far outpaced its modest exports of tea, pharmaceuticals, and engineering goods. Despite the post Cold War promise, bilateral trade remained stagnant at around \$10–15 billion, a fraction of India's commerce with China or the United States. The asymmetry was structural, not cyclical.

B] The Post 2022 Oil Surge and Deepened Skew

The Ukraine war and Western sanctions dramatically inflated the trade headline while worsening the imbalance. In FY2023, bilateral trade surged to 50 billion, almost Russian crude. Indian exports to Russia, however, remained anemic—stuck at 3–4 billion. Russia became India's top oil supplier, but India captured barely a sliver of the Russian consumer or industrial market. The trade deficit exploded, with Russia holding a surplus of over \$40 billion.

C] The Composition Problem

The trade basket reflects deep structural mismatches. India imports high value, strategic commodities: crude oil, LNG, coking coal, fertilisers, and defence equipment. India exports relatively lower value goods: pharmaceuticals, tea, coffee, spices, machinery, and auto components. There are few high technology or value added Indian exports that Russia demands at scale. Even after Western firms exited Russia, Indian companies failed to fill the gap significantly, constrained by logistics, payment fears, and lack of brand presence.

D] The Rupee Rouble Impasse

The trade asymmetry lies at the heart of the payment mechanism crisis. With India importing far more than it exports, Russian banks accumulated vast rupee surpluses in Vostro accounts with limited avenues to spend or repatriate them. Russia's reluctance to hold a non convertible, depreciating currency brought the rupee rouble settlement mechanism to a virtual standstill. The asymmetry,

therefore, is not just an economic statistic—it is a binding constraint on the financial architecture of the relationship.

E] Investment Asymmetry

The asymmetry extends to investment flows. Russian FDI in India is minimal, concentrated in a few legacy projects (Kudankulam, energy). Indian investment in Russia, while larger—over \$15 billion, including stakes in Sakhalin 1 and Vankor oil fields—remains concentrated in the hydrocarbon sector. There is negligible two way investment in manufacturing, technology, or services, depriving the economic relationship of the diversification that might have compensated for the trade skew.

F] The Core Challenge

Trade asymmetry is the single largest economic vulnerability in the India–Russia relationship. Unless corrected—through expanded Indian exports, Russian investments in Indian equity and debt markets, or new payment conduits—it will keep the partnership lopsided, transactional, and vulnerable to geopolitical shocks. Both sides have acknowledged the problem, but structural constraints—distance, divergent economic sizes, and the shadow of Western sanctions—have so far defeated durable fixes.

"Russia–China Axis"

A] The Post-2014 Pivot

Russia's relationship with China has undergone a qualitative transformation since 2014. Facing Western sanctions after Crimea, Moscow turned decisively eastward. What was once a pragmatic, arms-length partnership has evolved into a dense alignment — joint military exercises, intelligence sharing, energy deals (Power of Siberia pipelines), and coordinated diplomatic positions at the UN. The February 2022 invasion of Ukraine accelerated this: with Europe closed off, Russia's economic and strategic reliance on China deepened dramatically, reducing Moscow's room for manoeuvre.

B] The Unequal Embrace

The Russia–China axis is not a partnership of equals. China is the dominant economic and technological power; Russia has become the junior partner, increasingly a supplier of raw materials (oil, gas, minerals) to Chinese industry and a geopolitical enabler of Beijing's anti-Western posture. China holds the leverage — it can calibrate sanctions evasion support, technology transfers, and diplomatic cover. Russia, constrained and isolated, has little choice but to accept this asymmetry, a reality that sits uneasily with its self-image as a great power.

C] India's Core Concerns

For India, the tightening Russia–China embrace creates a direct security dilemma. China is India's primary strategic adversary, with an unresolved border conflict, a nuclear-armed military modernisation programme, and a growing naval footprint in the Indian Ocean. Russia, India's legacy arms supplier, now supplies sophisticated weaponry (fighters, missiles, submarines) to the People's Liberation Army, conducts joint patrols with Chinese bombers and warships, and echoes Beijing's diplomatic lines on the Indo-Pacific. The same Russian defence-industrial base that equips India's military also arms its principal threat. This erodes the traditional logic of Russia as a balancer against China and creates an uncomfortable dependency.

D] The Pakistani Dimension

The axis also has a Pakistani node. Russia has deepened military-technical cooperation with Islamabad — joint exercises, helicopter sales, pipeline diplomacy — eroding India's decades-old expectation that Moscow would treat Pakistan as a pariah. Combined with the China-Pakistan "all-weather friendship," the Russia-China-Pakistan triangle threatens to encircle India from the north and west, undercutting its continental security posture.

E] India's Response — Compartmentalisation

India's strategy has been to compartmentalise. It maintains its Russia relationship — energy, defence, diplomacy — while simultaneously deepening security ties with the United States, Japan, Australia, and Europe precisely to balance China. New Delhi does not publicly rebuke Moscow for its China embrace, but it builds alternative architectures (Quad, bilateral logistics pacts, AUKUS-adjacent cooperation) as a hedge. The implicit calculation: Russia may be too entangled with Beijing to serve as a counterweight, but it is not yet an adversary, and a complete rupture would be costlier than a managed divergence.

F] The Strategic Horizon

The Russia–China axis is likely to endure. As long as Western sanctions persist and Moscow's global options remain narrow, dependence on Beijing will remain structural. For India, this means a permanent recalibration: Russia can no longer be relied upon as a strategic buffer against China. The partnership must function on narrower, transactional grounds. Managing this diminished expectation — without triggering a hostile Russia and while accelerating India's own defence and technological autonomy — is one of the most complex tasks of India's contemporary statecraft.

“Scholarly Perspectives”

A] S. Jaishankar

External Affairs Minister S. Jaishankar has consistently emphasised the compelling geopolitical logic that sustains India–Russia ties, noting that despite ups and downs, “at the end of the day, the logic of

geo-politics was so compelling that we barely remember these even as minor aberrations.” He warns, however, that the very steadiness of the relationship leads to it being taken for granted. His core argument is that precisely because the partnership is old and stable, it requires as much — if not more — constant nurturing than the more volatile and headline-grabbing ones.

B] Srinath Raghavan — The Myth of Idyllic Ties

Historian Srinath Raghavan challenges the popular narrative of an unblemished friendship. He argues that Russia has always viewed India through a lens of hard-headed realism, not sentiment. He points to uncomfortable episodes: during the **1962 war**, Moscow shared intelligence with China and put MiG fighter supplies on hold; during the **1965 war**, Russia pressed India to return captured territories. Throughout the Cold War, India was a pawn in Moscow’s geopolitical competition with the United States. After the Cold War, Russia reverted to a transactional prism — treating India essentially as an arms buyer. Raghavan’s conclusion is blunt: from Moscow’s side, the relationship has always been driven by its own national interest, and the idyllic image is largely a myth.

C] C. Raja Mohan — Clear-Eyed Realism

Strategist C. Raja Mohan argues that India must now look at Russia with “**clear-eyed realism.**” Russia’s deepening embrace of China, and its overtures to Pakistan, are creating genuine unease. He contends that India long campaigned for a multipolar world — and now that it has arrived, Delhi must learn to live with its complexities rather than

nostalgic binaries. As middle powers, India and Russia can still do much together, but the basis must shift from sentimental attachment to pragmatic transactionalism. In the real world of international politics, Mohan insists, “transactional is better than mere sentimental.”

D] Shyam Saran — The Weakest Link

Former Foreign Secretary Shyam Saran identifies the structural deficit in the relationship: it is overwhelmingly government-to-government. Nostalgia for the Soviet era, while emotionally useful, cannot drive present-day relations. The weakest aspect, in his assessment, is the lack of multi-track engagement — economic ties remain thin, and people-to-people connections are underdeveloped. Saran’s prescription is clear: the relationship will remain fragile unless it is broadened beyond official channels into robust economic and societal linkages.

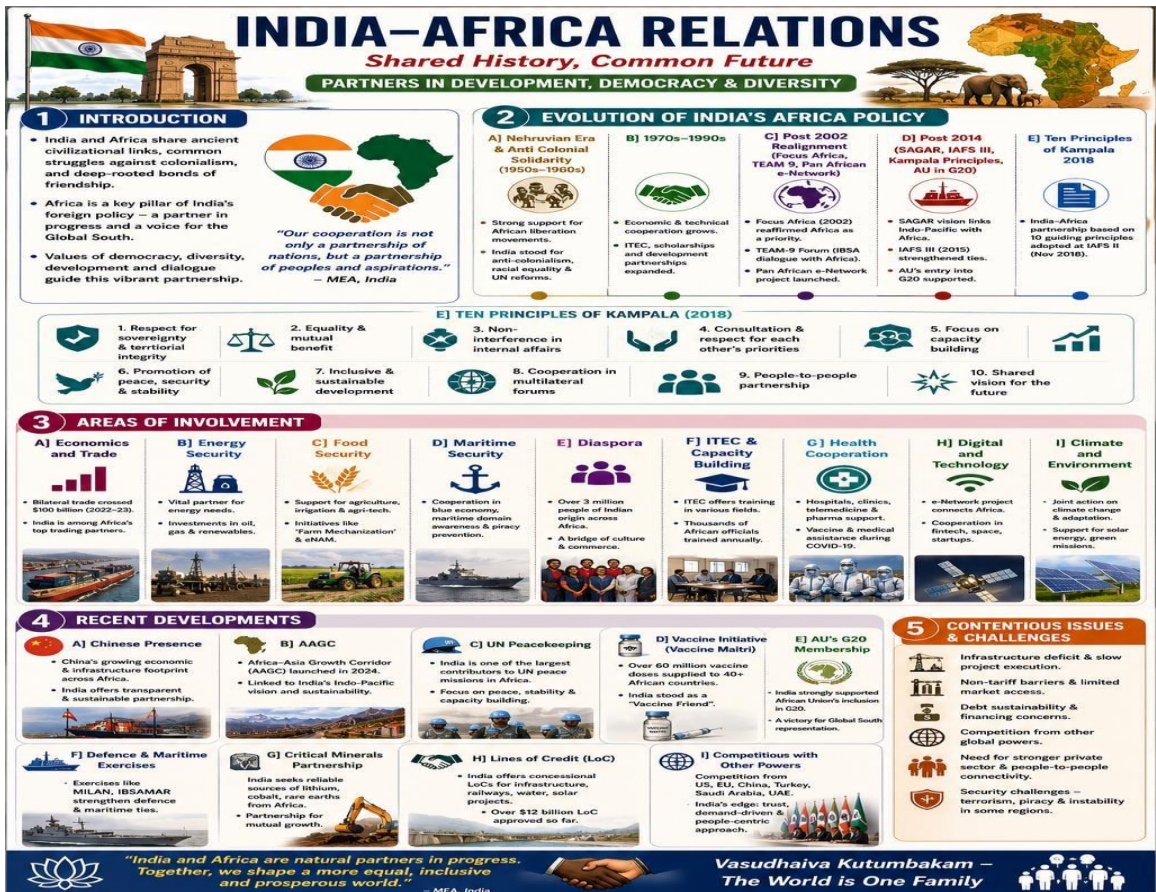
E] Other Remarks

The relationship has also generated memorable political aphorisms. Prime Minister Modi once declared that “every child in India knows who India’s best friend is,” reflecting the enduring popular sentiment. An older Russian proverb often cited in diplomatic circles holds that “one old friend is better than two new friends.” More critically, Winston Churchill’s famous description — “Russia is a riddle wrapped in a mystery inside an enigma” — captures its enduring opacity. And dissident writer Aleksandr Solzhenitsyn offered a sharp ideological observation: “For us in Russia, communism is a dead dog,

while, for many people in the West, it is still a living lion.” These remarks, collectively, illustrate the mix of warmth, ambiguity, and realism that characterises Indian and global perceptions of Russia.

Unit - 21

INDIA-AFRICA RELATIONS



INDIA-AFRICA RELATIONS

Shared History, Common Future

PARTNERS IN DEVELOPMENT, DEMOCRACY & DIVERSITY

1 INTRODUCTION

- India and Africa share ancient civilizational links, common struggles against colonialism, and deep-rooted bonds of friendship.
- Africa is a key pillar of India's foreign policy – a partner in progress and a voice for the Global South.
- Values of democracy, diversity, development and dialogue guide this vibrant partnership.



"Our cooperation is not only a partnership of nations, but a partnership of peoples and aspirations."

 – MEA, India

2 EVOLUTION OF INDIA'S AFRICA POLICY

A) Nehruvian Era & Anti Colonial Solidarity (1950s–1960s)

- Strong support for African liberation movements.
- India stood for anti-colonialism, racial equality & UN reforms.

B) 1970s–1990s

- Economic & technical cooperation grows.
- ITEC, scholarships and development partnerships expanded.

C) Post 2002 Realignment (Focus Africa, TEAM 9, Pan African e-Network)

- Focus Africa (2002) reaffirmed Africa as a priority.
- TEAM-9 Forum (IBSA dialogue with Africa).
- Pan African e-Network project launched.

D) Post 2014 (SAGAR, IAFS III, Kampala Principles, AU in G20)

- SAGAR vision links Indo-Pacific with Africa.
- IAFS III (2015) strengthened ties.
- AU's entry into G20 supported.

E) Ten Principles of Kampala 2018

- India-Africa partnership based on 10 guiding principles adopted at IAFS II (Nov 2018).

1. Respect for sovereignty & territorial integrity

2. Equality & mutual benefit

3. Non-interference in internal affairs

4. Consultation & respect for each other's priorities

5. Focus on capacity building

6. Promotion of peace, security & stability

7. Inclusive & sustainable development

8. Cooperation in multilateral forums

9. People-to-people partnership

10. Shared vision for the future

3 AREAS OF INVOLVEMENT

A) Economics and Trade

- Bilateral trade crossed \$100 billion (2022–23).
- India is among Africa's top trading partners.

B) Energy Security

- Vital partner for energy needs.
- Investments in oil, gas & renewables.

C) Food Security

- Support for agriculture, irrigation & agri-tech.
- Initiatives like 'Farm Mechanization' & eNAM.

D) Maritime Security

- Cooperation in blue economy, maritime domain awareness & piracy prevention.

E) Diaspora

- Over 3 million people of Indian origin across Africa.
- A bridge of culture & commerce.

F) ITEC & Capacity Building

- ITEC offers training in various fields.
- Thousands of African officials trained annually.

G) Health Cooperation

- Hospitals, clinics, telemedicine & pharma support.
- Vaccine & medical assistance during COVID-19.

H) Digital and Technology

- e-Network project connects Africa.
- Cooperation in fintech, space, startups.

I) Climate and Environment

- Joint action on climate change & adaptation.
- Support for solar energy, green missions.

4 RECENT DEVELOPMENTS

A) Chinese Presence

- China's growing economic & infrastructure footprint across Africa.
- India offers transparent & sustainable partnership.

B) AAGC

- Africa-Asia Growth Corridor (AAGC) launched in 2024.
- Linked to India's Indo-Pacific vision and sustainability.

C) UN Peacekeeping

- India is one of the largest contributors to UN peace missions in Africa.
- Focus on peace, stability & capacity building.

D) Vaccine Initiative (Vaccine Maitri)

- Over 60 million vaccine doses supplied to 40+ African countries.
- India stood as a "Vaccine Friend".

E) AU's G20 Membership

- India strongly supported African Union's inclusion in G20.
- A victory for Global South representation.

F) Defence & Maritime Exercises

- Exercises like MILAN, IBSAMAR strengthen defence & maritime ties.

G) Critical Minerals Partnership

- India seeks reliable sources of lithium, cobalt, rare earths from Africa.
- Partnership for mutual growth.

H) Lines of Credit (LoC)

- India offers concessional LoCs for infrastructure, railways, water, solar projects.
- Over \$12 billion LoC approved so far.

I) Competitiveness with Other Powers

- Competition from US, EU, China, Turkey, Saudi Arabia, UAE.
- India's edge: trust, demand-driven & people-centric approach.

5 CONTENTIOUS ISSUES & CHALLENGES

- Infrastructure deficit & slow project execution.
- Non-tariff barriers & limited market access.
- Debt sustainability & financing concerns.
- Competition from other global powers.
- Need for stronger private sector & people-to-people connectivity.
- Security challenges – terrorism, piracy & instability in some regions.



"India and Africa are natural partners in progress. Together, we shape a more equal, inclusive and prosperous world."

– MEA, India



Vasudhaiva Kutumbakam – The World is One Family



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Introduction

Africa, often called the ‘mother continent’, is the second largest and second most populous landmass on Earth, covering roughly one-fifth of the planet’s land area and straddling the equator. Its vast mineral wealth— among the world’s largest reserves of fossil fuels, metallic ores, gems, and precious metals — is matched by extraordinary biodiversity, from the equatorial rainforests of Central Africa to the iconic wildlife of the eastern and southern regions. The continent comprises **54 sovereign states** and a handful of disputed or dependent territories, including the unresolved status of Western Sahara.

Africa’s population is the **youngest of any continent**, with a median age of just 18.8 years in 2023, against a global median of 30.5. Yet this demographic dividend coexists with persistent poverty: most African nations remain classified as developing or least-developed, a legacy attributed to climate vulnerability, tribalism, colonial extraction, Cold War proxy conflicts, neo-colonial economic structures, governance deficits, and corruption. As the maxim goes, while the North Atlantic is history and Asia is the present, Africa is widely seen as the **future** — a perception that draws the active economic and strategic interest of India, China, Japan, and other powers, turning the continent into both a theatre of cooperation and a zone of geopolitical competition.

For India, Africa is a natural partner — bound by historical anti-colonial solidarity, a large Indian diaspora, and shared developmental aspirations. Under the **“SAGAR” (Security and Growth for All in the**

Region) doctrine and its self-appointed role as the voice of the **Global South**, India has positioned Africa at the heart of its foreign policy. The landmark 2023 inclusion of the **African Union as a permanent member of the G20**, championed by India during its presidency, symbolises this commitment and signals a structural shift in global governance. India's engagement with Africa today is thus not merely a matter of historical goodwill but a strategic imperative — driven by energy security, food security, maritime stability, and the imperative to shape a multipolar order alongside the continent that will define the twenty-first century.

“Evolution of India's Africa Policy”

A] Ancient Ties and Gandhi's Legacy

India's engagement with Africa did not begin with governments; it was monsoon winds that first stitched the subcontinent to the eastern African coast, enabling centuries of trade and cultural exchange. This deep, organic people-to-people foundation was later personified by **Mahatma Gandhi**, whose anti-racist struggle in South Africa and subsequent leadership of India's national movement inspired African aspirations for equality and independence. The relationship was thus built from the ground up, long before diplomatic machinery took over.

B] Post-Independence: NAM, Anti-Apartheid, and Early Capacity Building

In the immediate post-colonial era, India moved toward Africa through the **Non-Alignment Movement**, actively championing

decolonisation and the fight against apartheid. People-to-people contact began giving way to structured government-to-government cooperation. As early as 1958, India set up the **Imperial Military Academy in Harar, Ethiopia** — its first capacity-building institution on the continent — followed by a similar academy in Nigeria in 1960. These early steps signalled India's intent to be a developmental partner, not a distant sympathiser.

C] ITEC and the Rise of People-to-People Linkages

In 1964, India launched the **Indian Technical and Economic Cooperation (ITEC) programme**, offering bilateral assistance to developing countries. Africa was included from the start and gradually became ITEC's largest beneficiary, triggering a parallel flow of private students from Africa to India. Although government scholarships played a role, the bulk of the movement was self-financed, reinforcing the enduring strength of private, people-to-people connections alongside official channels.

D] UN Peacekeeping: India's Enduring Contribution

Even after African countries secured independence, civil conflicts persisted. India responded by committing itself heavily to **UN peacekeeping operations** in Africa — from the very first mission in the Congo to present-day deployments. India has been one of the pioneers and remains one of the largest troop-contributing countries, consistently working to bring peace and stability to the continent, demonstrating that its commitment is not merely

rhetorical but operational.

E] Post-2002: A New Institutional Architecture

The birth of the **African Union (AU)** in Durban in 2002 marked a turning point. With the Cold War over and superpower interest still limited, the continent was suddenly open for new partnerships. India responded by deepening and broadening its engagement in a fulsome, multi-dimensional manner.

- **ITEC and Scholarships** were expanded to cover more countries, regional economic communities, and the AU Commission itself. India also supported the Special Commonwealth Assistance for Africa Programme (SCAAP) .
- **Focus Africa (2002):** The Ministry of Commerce launched this targeted programme; such was the enthusiasm that all African countries sought inclusion, far beyond the originally limited number.
- **Lines of Credit and IDEAS:** From a budget announcement in 2003-04, the concessional lines of credit scheme deepened dramatically, allowing India to finance infrastructure and development projects across the continent.
- **Team-9 (2000):** For the first time, India engaged a collective of countries in Central and West Africa, signalling a shift from purely bilateral to regional approaches.

F] The Pan-African e-Network Project

In 2005, President A.P.J. Abdul Kalam announced the **Pan-African**

e-Network, a flagship initiative that acknowledged the central role of the African Union. It became the largest project the AU had undertaken with any partner at that stage, and remains the single largest grant project India has ever executed in Africa — linking African nations through tele-education, tele-medicine, and connectivity infrastructure.

G] The India–Africa Forum Summits (IAFS)

The institutional high point arrived with the **India–Africa Forum Summits**. The first, held in New Delhi in 2008, brought together 14 African countries chosen by the AU. The second, in Addis Ababa in 2011, involved 15 African nations. The third, returning to New Delhi in 2015, was the largest gathering of African countries on Indian soil ever, with representatives from all 54 African nations — including 40 Heads of State.

At that summit, Nigerian President Muhammadu Buhari captured the sentiment: “Africa has a number of partnership arrangements with other countries of the world, but this promises to be different as it is not only a partnership between friends, but between countries and peoples who have had similar historical experiences of colonial rule.”

These summits unlocked large-scale, low-cost finance for Africa, without discrimination. Unlike other partners who lent only to investment-grade countries, India specialised in extending credit to **Highly Indebted Poor Countries (HIPC)** and **Least Developed Countries (LDCs)**. This approach expanded private-sector relationships, drew governments closer, and contributed to African development in a broad and inclusive manner. The fourth IAFS has

been postponed due to the pandemic, but the architecture remains firmly in place.

The Kampala Principles :

During his historic address to Uganda's Parliament, Prime Minister Modi laid out ten principles that would henceforth guide India's engagement with Africa:

1. **Africa First** – Africa will be at the top of India's foreign policy priorities.
2. **Local Ownership** – India's development partnership will be guided by Africa's own priorities, not imposed prescriptions.
3. **Open Markets** – India will keep its markets open and make trade and investment easier for African nations.
4. **Digital Partnership** – India will harness its digital revolution experience to support Africa's technological transformation.
5. **Agricultural Transformation** – Recognising that Africa holds 60% of the world's arable land but produces only 10% of global output, India will partner to enhance productivity and food security.
6. **Climate Cooperation** – India will work with Africa to combat climate change and build resilient infrastructure.
7. **Fighting Extremism** – India will strengthen cooperation to counter terrorism, extremism, and radicalisation.
8. **Open Oceans** – India and Africa will work together to keep the

maritime commons open, secure, and free for all.

9. **Global Commons** – The partnership will also safeguard outer space, cyber space, and the internet as global commons.
10. **Peace and Security** – India will remain a steadfast partner in promoting peace and security, including through continued and robust UN peacekeeping contributions.

3] Areas of Involvement with Africa

A] Expanding Trade Volume

India's trade with Africa has grown impressively from **7 billion in 2001 to 98 billion in 2022-23** (Yet this remains well below potential: Chinese trade with the continent has crossed 250 billion, and the European Union's stands at roughly **\$400 billion**. Given India's geographical proximity and deep historical ties, substantial headroom for expansion exists.

B] Investment Drivers

Indian companies are investing across agriculture, minerals, pharmaceuticals, manufacturing, and energy. The continent's emerging middle class, rising consumer demand, and steadily improving business environment are the primary pull factors.

C] Agriculture — The Granary Promise

Africa holds the potential to become the granary of the world. India-Africa cooperation in agriculture continues to deepen through technology transfer, investment in farming, and stronger market linkages.

D] Minerals & Mining — India as Net Importer

Total bilateral trade in the mining and mineral sector since 2001 stands at **\$43.13 billion**, with an export-import ratio of 22.7% to 77.3% — making India a clear net importer. African nations have drawn on Indian mining technology and investment, while India relies on the continent for raw materials.

E] Pharmaceuticals — Consistent Growth

Drugs and pharmaceuticals have recorded steady trade growth, reaching an all-time high of **\$3.8 billion in 2020-21**, underlining India's role as a reliable supplier of affordable generics to the African market.

F] Manufacturing — African Goods Enter India

India is a net importer in the manufacturing segment, creating a valuable avenue for African manufactured products to access India's large and growing consumer market.

Green Energy and the ISA Partnership

Sustainability and renewable energy are now central themes in the economic relationship. India's robust domestic renewable sector — combined with its leadership of the **International Solar Alliance (ISA)**, in which African countries play a central role — positions it to support Africa's green energy transition.

G] AfCFTA — The Next Frontier

The **African Continental Free Trade Agreement (AfCFTA)**, operational since January 2021, opens a continent-wide market. India can play a guiding role in its strengthening, while Indian firms stand to gain expanded market access and diversified investment portfolios.

“Energy Security”

A] Crude Oil — From Zero to Strategic Share

Africa's share in India's crude oil imports has risen from **0% in 2000 to 26% today**, making it a vital diversification away from West Asian over-dependence. State-owned Indian firms have invested around **\$8 billion** in African hydrocarbon assets, yet the continent's vast oil potential remains largely untapped, signalling significant headroom for deeper engagement.

B] ISA and Solar Diplomacy

India's leadership of the **International Solar Alliance (ISA)** is its strongest card in Africa's renewable energy space. With **33 African countries** as members — the largest bloc within the alliance — India holds a first-mover advantage. Africa has abundant sunlight but lacks technology and capital; India offers a collaborative platform delivering technology, capacity building, and employment, turning the ISA into a practical delivery vehicle rather than a mere talking shop.

C] NTPC's African Footprint

In 2020, **NTPC** secured the Project Management Consultancy contract for a 500 MW solar park in **Mali and Togo**, marking India's first tangible foray into Africa's solar infrastructure. NTPC is now eyeing similar projects in Sudan, Mozambique, Gambia, and Malawi. Given that only **24% of Sub-Saharan Africans** have access to electricity and the

region's generation capacity (excluding South Africa) is a meagre **28 GW**, this is a critical opening. The ISA framework gives India a structural edge to become a significant player in electrifying Africa sustainably.

"Food Security"

A] The Arable Land Paradox

Africa holds **60% of the world's arable land** but produces only **10% of global agricultural output**. This stark gap represents both a challenge and an enormous opportunity. With active Indian investment, technology transfer, and capacity building, African agriculture can significantly scale up production, addressing the twin challenges of food security and economic development for many nations simultaneously.

B] The Pulses Partnership

India is the world's **largest producer, consumer, and importer of pulses**, creating a natural demand pull. African countries — notably **Mozambique, Malawi, and Sudan** — already grow pulses specifically for the Indian market. Recognising domestic supply gaps in tur and urad, the Indian government signed **MOUs with Mozambique and Malawi in 2021** to secure long-term pulse imports, aligning India's nutritional security needs with Africa's

export-led agricultural growth.

C] A Win-Win Architecture

The food security cooperation thus offers a textbook case of mutual benefit: Africa gains investment, improved yields, and stable export revenues; India secures diversified food supply chains and reduces dependence on a narrow set of suppliers. This agricultural axis not only strengthens bilateral relations but also contributes tangibly to both regions' developmental priorities.

“Maritime Security”

A] The Strategic Imperative

A secure Indian Ocean Region is vital for both India and Africa, safeguarding Exclusive Economic Zones (EEZs) and the sea lanes of communication that carry the bulk of their trade. India's maritime cooperation with Africa is built around protecting shared interests in these waters.

B] Africa's Maritime Vulnerabilities

Of Africa's 54 states, 38 are coastal or island nations, but most lack the capacity to police their declared maritime zones. This has led to widespread illegal exploitation of marine resources and persistent piracy — notably off the East African coast (Gulf of Aden) and in West Africa's Gulf of Guinea.

C] India's Four-Pronged Cooperation

India's maritime engagement with Africa moves along four principal tracks:

1. Training African naval and civilian personnel in Indian institutions.
2. Conducting hydrographic surveys and helping build local hydrographic capabilities.
3. Undertaking anti-piracy patrols.
4. Regular port visits by the Indian Navy and the establishment of coastal monitoring stations.

These efforts are advanced through bilateral ties as well as multilateral forums like IORA and the SAGAR doctrine.

D] Djibouti – Gateway to the Red Sea

Djibouti's strategic perch at the entrance of the Red Sea makes it a critical partner. Indian naval ships routinely use its port for transit to and from the Mediterranean. It was the vital staging point for **Operation Raahat** in April 2015, when Indian warships evacuated over 3,000 citizens from war-torn Yemen.

E] Mauritius – The Anchor Partnership

India's most substantial maritime security partnership in Africa is with Mauritius. Since 2003, the Indian Navy has regularly patrolled Mauritius's EEZ and deposes a naval officer to head its National Coast Guard. India has gifted Offshore Patrol Vehicles, installed an Automated Identification System and a Coastal Surveillance Radar System, and conducts joint hydrographic surveys and patrols. A deal to develop facilities on Agalega Island has been signed, and several grants and lines of credit have been extended for developmental and maritime infrastructure projects.

F] Seychelles and Regional Engagement

Seychelles' location astride global shipping and communication lanes makes it highly significant. In June 2018, India handed over a Dornier Do-228 aircraft and a \$100 million line of credit to bolster its defence capability. Both sides agreed to advance the stalled Assumption Island project, though parliamentary ratification in Seychelles is still awaited. Beyond these, India is actively engaged with Kenya, Tanzania, Mozambique, and Madagascar to enhance maritime security and protect mutual interests in the Western Indian Ocean.

“Diaspora”

A] Historical Formation and Size

Indian labour was brought to Africa during the colonial era for infrastructure and commercial ventures. This created a deep cultural inter-penetration and a modern Indian diaspora, with shared experiences of oppression forging a common desire for freedom. Today, the Indian diaspora in Africa numbers around **3 million** across 46 countries. South Africa hosts **1.3 million** people of Indian origin, while **Mauritius** has **0.8 million**, making up **70%** of its total population.

B] Role and Competitive Advantage

The diaspora understands both Indian and African societies and has a proven record of navigating challenges. It promotes investment, trade, innovation, technology access, and financial inclusion, acting as a living bridge. Crucially, the near-total absence of a Chinese diaspora in Africa gives India a significant competitive advantage in its continental diplomacy.

F] ITEC & Capacity Building

The ITEC Programme

India's flagship capacity-building instrument, the **Indian Technical and Economic Cooperation (ITEC)** programme, launched in 1964, has Africa as its largest beneficiary. It offers training slots, deputation of experts, study tours, and small-scale project aid across diverse fields — governance, IT, agriculture, SME development, and renewable energy — building institutional capacity rather than creating dependency.

Expansion Post-2002

After the African Union's birth in 2002, ITEC was intensified, reaching more countries, regional economic communities, and the AU Commission itself. Scholarship programmes expanded, and India supplemented ITEC with the **Special Commonwealth Assistance for Africa Programme (SCAAP)**, creating multiple access points for African professionals.

Beyond ITEC — Institutions and Skill Development

India has established dedicated capacity-building institutions across Africa, including the **India-Africa Institute of Information Technology** in Ghana, vocational training centres in Ethiopia, and entrepreneurship development institutes. The **e-VidyaBharati (e-VBAB)** network offers online undergraduate and postgraduate scholarships to African students, marrying digital delivery with human resource development. These efforts ensure that capacity building remains the quiet but critical backbone of India's Africa engagement.

G] Health Cooperation

Pharmaceuticals — The ‘Pharmacy of the World’

India’s role as the world’s largest supplier of affordable generic medicines directly benefits Africa. Bilateral pharmaceutical trade reached an all-time high of **\$3.8 billion in 2020-21**, with Indian anti-retrovirals, vaccines, and essential drugs underpinning public health systems across the continent.

Vaccine Maitri and Pandemic Response

During the COVID-19 pandemic, India’s **Vaccine Maitri** initiative supplied millions of doses to African nations as grants or under COVAX.

This reinforced India’s image as a dependable first responder in health crises. India also supported the AU’s **Africa Vaccine Acquisition Task Team (AVATT)** and pledged to strengthen Africa’s local manufacturing capacity.

Tele-Medicine and Health Infrastructure

The **Pan-African e-Network**, launched in 2005, connected African hospitals to Indian super-speciality institutions for real-time tele-consultations and continuing medical education. India has also extended concessional loans for hospitals, supplied medical equipment, and trained African health professionals under ITEC. More recently, India has proposed an **India-Africa Health Sciences Platform** to deepen research and manufacturing collaboration,

aligning with the AU's goal of producing 60% of its vaccine needs locally by 2040.

H] Digital and Technology

India Stack and Digital Public Infrastructure

India is positioning itself as Africa's partner in building **Digital Public Infrastructure (DPI)**. The **India Stack** — Aadhaar (identity), UPI (payments), and DigiLocker (documents) — is being offered as a

scalable, open-source model. Several African countries, including Ethiopia, Kenya, and Nigeria, have shown interest in adapting UPI-style instant payment systems, leveraging India's experience in low-cost, high-volume digital transformation.

Connectivity and E-Governance

The **Pan-African e-Network** was the foundational connectivity project, linking African universities and hospitals to Indian counterparts. Building on this, India is supporting e-governance projects, cyber-security capacity building, and IT parks in multiple African nations.

The **e-VidyaBharati** scholarship portal and tele-education hubs are expanding digital access to education.

Tech Start-ups and Skilling

India's tech industry is engaging Africa's burgeoning start-up ecosystem through joint accelerators, venture capital flows, and skilling programmes in artificial intelligence, data analytics, and software development. Indian IT majors — TCS, Infosys, Wipro — have

established delivery and training centres in countries like South Africa, Kenya, and Mauritius, creating local employment and transferring digital skills. This technology bridge is set to become a defining feature of the twenty-first-century India-Africa partnership.

I] Climate and Environment

The International Solar Alliance (ISA)

India's climate-africa engagement is anchored by the **ISA**, a treaty-based multilateral body co-founded with France. With **33 African members**, the ISA is the primary vehicle for financing and deploying solar energy across the continent. NTPC's 500 MW solar park project in Mali and Togo is a tangible example of ISA-enabled public-private collaboration, and more projects are planned.

Coalition for Disaster Resilient Infrastructure (CDRI)

India's second major climate initiative, the **Coalition for Disaster Resilient Infrastructure (CDRI)**, directly addresses Africa's acute vulnerability to climate-induced disasters — floods, cyclones, and droughts. Several African countries are members, and CDRI is working on early-warning systems, resilient transport networks, and sustainable urban infrastructure.

Loss and Damage Advocacy

India has consistently advocated for climate justice and loss-and-damage finance at COP summits, aligning with the African Group's negotiating positions. This shared stance on Common But Differentiated Responsibilities (CBDR) and the demand for \$100 billion annual climate finance creates a natural diplomatic alignment between India and Africa in global climate forums, reinforcing the broader Global South solidarity.

“Recent Developments”

A] Chinese Presence

China has become Africa's largest bilateral trading partner, with trade crossing \$250 billion, and its Belt and Road Initiative (BRI) has ploughed massive infrastructure investment across the continent. However, concerns over debt sustainability, opaque lending practices, and asset seizures have sparked growing African pushback. China's footprint compels India to offer a sharply differentiated model — transparent finance, capacity-building, and local ownership — turning the Chinese presence into both a challenge and a strategic spur for deeper Indian engagement.

B] AAGC (Asia–Africa Growth Corridor)

The **Asia–Africa Growth Corridor**, unveiled jointly by India and Japan

in 2017, is a connectivity and development framework aimed at countering the BRI's debt-centric model. It emphasises quality infrastructure, capacity building, human resource development, and healthcare, anchored in the spirit of the Kampala Principles. Though implementation has been slow, the AAGC remains the conceptual template for an India-led, rules-based, and people-centric connectivity alternative in Africa.

C] UN Peacekeeping

India remains one of the largest cumulative troop contributors to UN peacekeeping, with the majority of its deployments in Africa. From the first Congo mission to ongoing operations in South Sudan, Mali, and the Central African Republic, India has consistently provided boots on the ground, police units, and medical support. Its peacekeeping doctrine — impartiality, consent, and non-use of force except in self-defence — aligns with African Union frameworks, and India continues to advocate for a permanent AU seat at the Security Council alongside better-funded, African-led missions.

D] Vaccine Initiative (Vaccine Maitri)

During the COVID-19 pandemic, India's **Vaccine Maitri** initiative shipped millions of vaccine doses to African nations as grants, under COVAX, and through commercial deals. This cemented India's image as

the “pharmacy of the world” and a reliable first responder. India also supported the AU’s vaccine acquisition task force and has pledged to assist in building Africa’s local manufacturing capacity, aligning with the AU’s goal of 60% vaccine self-sufficiency by 2040.

E] AU’s G20 Membership

Under India’s G20 Presidency in 2023, the **African Union was granted permanent membership** of the G20 — a landmark diplomatic achievement. India championed the move, framing it as a necessary step toward a more inclusive and representative global order. The AU’s entry into the G20 elevates the continent’s voice in global economic governance and symbolises India’s commitment to being the voice of the Global South, transcending rhetoric with concrete institutional outcomes.

F] Defence & Maritime Exercises

India has expanded its defence and maritime engagement with Africa through dedicated initiatives. The **Africa–India Field Training Exercise (AFINDEX)**, launched in 2019, brings together multiple African armies for joint drills. At sea, India conducts coordinated patrols and joint exercises with Mozambique, Tanzania, Kenya, and the Seychelles.

The **SAGAR** doctrine anchors this engagement, with India offering coastal surveillance systems, hydrographic surveys, and capacity building to strengthen African maritime security. The first India-Africa Chiefs’ Conclave and regular goodwill port calls

institutionalise these efforts.

G] Critical Minerals Partnership

Africa holds a large share of the world's critical minerals — cobalt (DRC, Zambia), lithium (Zimbabwe), rare earths, and manganese — essential for EV batteries, semiconductor fabrication, and clean energy technologies.

With China currently dominating processing and supply chains, India is seeking to diversify its sourcing through state-backed investments, geological surveys, and technology partnerships. This minerals diplomacy, potentially aligned with frameworks like iCET and the AAGC, links India's energy transition directly to African resource security, creating a new strategic pillar.

H] Lines of Credit (LoC)

India has extended concessional Lines of Credit worth over **\$12 billion**, financing more than **300 projects** across over 40 African nations in sectors ranging from railways, power, and agriculture to water supply and education. The model is deliberately inclusive: India lends to Highly Indebted Poor Countries (HIPCs) and Least Developed Countries (LDCs) that other partners often ignore. However, challenges persist — slow disbursement, project delays, and limited contractor bandwidth — that India is now working to address through streamlined processes and the Indian Development Assistance Scheme (IDEAS).

I] Competition with Other Powers

Africa has become a crowded arena. Beyond China, Russia is expanding its influence through security contracts, arms sales, and disinformation campaigns. Turkey, the UAE, the European Union (via the Global Gateway), and Japan each pursue their own strategies, offering African nations multiple choices. This multipolar competition benefits Africa but also fragments the space. For India, it means the relationship cannot rest on historical goodwill alone; it must be backed by speed, scale, and an unmistakable value proposition — areas where India is being pushed to do more and faster.

“Contentious Issues & Challenges”

A] Racial Attacks on African Nationals in India

Recurring incidents of racially-tinged violence against African students and residents in Indian cities — including fatal attacks — have periodically strained relations. These episodes provoke sharp reactions from African governments and student associations, undercutting India’s image as a welcoming, fraternal partner. The Indian government has responded with enhanced security measures and outreach, but the problem persists as a low-intensity, chronic irritant in people-to-people ties.

B] Bureaucratic and Implementation Delays

India’s signature Lines of Credit and grant-based projects, though generous in intent, suffer from slow disbursements, procedural red

tape, and limited contractor bandwidth. African partners have privately and publicly expressed frustration over the gap between Indian promises and on-ground delivery. Additionally, visa hurdles — including delays and perceived restrictiveness — impede African businesspersons, students, and tourists, weakening the very personal connections that historically defined the relationship.

C] Intellectual Property and Pharma Friction

India's robust generic pharmaceutical industry, while a lifeline for African healthcare, has occasionally generated friction. African countries seeking to build local pharma manufacturing capacity have sometimes viewed Indian generics as undercutting their nascent industries. Moreover, India's stance on TRIPS flexibilities and compulsory licensing has put it at odds with some African states that align with Western patent-protection frameworks, creating a nuanced tension in an otherwise complementary area.

D] Security Risks — Terrorism and Instability

The spread of extremist groups in the Sahel, the Horn of Africa, and northern Mozambique directly threatens Indian diaspora communities, investments, and energy assets. Piracy in the Gulf of Guinea and the Red Sea disrupts Indian shipping. While India contributes to UN peacekeeping and maritime patrols, it has been reluctant to deploy boots on the ground in active counter-terrorism roles, limiting its ability to protect its own expanding footprint.

E] Competition from Other Powers

Africa's crowded geopolitical landscape — dominated by Chinese BRI investments, Russian security and disinformation operations, UAE and Turkish commercial expansion, and the EU's Global Gateway — means Indian engagement faces constant comparison. African governments, now spoilt for choice, can leverage competing offers. India's relatively modest resource commitment and slower delivery often place it at a disadvantage, demanding a sharper, speedier, and more visible engagement than it has historically offered.

F] Indian Private Sector Concerns

From the Indian side, doing business in Africa poses genuine challenges: political instability, policy unpredictability, currency volatility, corruption, and weak contract enforcement in several markets. Indian businessmen have voiced concerns over payment delays, bureaucratic obstacles in African capitals, and unfair competition from Chinese state-backed firms. These ground-level difficulties temper the appetite of Indian industry and often limit the translation of political goodwill into concrete commercial partnerships.

"Perspectives of Scholars"

A] C. Raja Mohan

C. Raja Mohan views India–Africa ties through the lens of structural global change. He argues that the era of sentimental, post-colonial

solidarity has given way to a more interest-driven, pragmatic engagement. For Mohan, Africa is an essential theatre for India's emergence as a leading power, but the relationship must be built on economic substance — trade, investment, and technology — rather than rhetoric. He frequently notes that India's Africa policy now competes directly with China's and must therefore be faster, larger in scale, and more visibly transactional to remain relevant.

B] S. Jaishankar

External Affairs Minister S. Jaishankar has placed Africa at the centre of India's Global South diplomacy. He articulates the relationship as a partnership of equals, rooted in shared colonial experiences and contemporary developmental aspirations. Jaishankar emphasises India's distinct model — non-prescriptive, demand-driven, and focused on capacity-building and concessional finance — as an alternative to predatory lending practices. His diplomatic messaging, including the championing of the African Union's G20 membership, signals a deliberate elevation of Africa in India's global strategic calculus.

C] Other Scholars

Ruchita Beri (MP-IDSA) focuses on peace and security dimensions, particularly India's UN peacekeeping contributions and maritime cooperation. She highlights the need for India to move beyond training

and patrols toward a more integrated security partnership with African nations and regional bodies.

Arvind Subramanian, from an economic standpoint, has noted the structural imbalances in India–Africa trade and the under-exploitation of the African market by Indian industry. He underscores the need for India to leverage its strengths in services, pharmaceuticals, and technology, while also addressing Africa’s infrastructure deficit through viable financing models.

Aditi Lalbhat (ORF) specialises in China’s footprint in Africa and its implications for India. She argues that India’s comparative advantage lies in transparent, inclusive development cooperation and digital public infrastructure, areas where it can offer a genuinely distinct model to African partners without replicating the debt-centric approach of the BRI.

D] Concerns of Indian Businessmen

Indian businesses operating in Africa highlight several recurring challenges that dampen the investment climate: political instability and policy unpredictability in certain markets, bureaucratic delays and complex visa regimes on both sides, currency volatility and repatriation difficulties, corruption and weak contract enforcement, and uneven competition from Chinese state-backed firms with subsidised finance.

They also point to a gap between high-level political declarations and actual on-ground facilitation, urging more robust government-to-business coordination, faster Lines of Credit disbursements, and

stronger diplomatic support to de-risk private ventures.

Unit -22

INDIA-LATIN AMERICA RELATIONS

INDIA-LATIN AMERICA RELATIONS

PARTNERS IN PROGRESS, PARTNERS FOR THE FUTURE

Shared Colonial History

Democratic Values

South-South Cooperation

Warm & Friendly Relations

1 INTRODUCTION

- LAC (33 countries) is resource rich and strategically important for India.
- Strategic Partnership with Brazil (2006) and Argentina (2019).
- Over 50 MoUs signed in recent years.
- Total bilateral trade in 2024-25: USD 47.81 billion
Exports: USD 20.92 billion
Imports: USD 26.90 billion
- LAC is a key partner under India's South-South cooperation.

2 EVOLUTION OF INDIA-LATIN AMERICA RELATIONS

A. Nehruvian Era & Anti Colonial Solidarity (Pre 1947-1970s)

- Shared colonial legacy and non-alignment.
- 1968: PM Indira Gandhi visited 8 LAC nations.
- Emphasis on Third World solidarity.

B. 1970s-1990s

- Sporadic cooperation in international forums.
- Limited trade & investment.
- Relations shaped by Cold War dynamics.

C. Post 2002 Realignment (Focus Africa, TEAM 9, Pan African e-Network)

- 2003: PTA with MERCOSUR (in force 2009).
- Trade and investment gradually increased.
- India's outreach to Africa deepened.

D. Post 2014 (SAGAR, IAFS III, Kampala Principles, AU in G20)

- High-level visits intensified.
- Deeper cooperation in multiple sectors.
- Promoting Global South agenda (e.g. AU in G20).

E. Ten Principles of Kampala 2018

- Guiding framework for India-Africa partnership based on equality, respect, and shared growth.

3 AREAS OF COOPERATION

A. Economics and Trade

- Brazil is India's largest LAC trading partner (~15 billion).
- Exports: diesel, pharma, engineering goods.
- Imports: crude oil, soyil, sugar, cotton, iron ore.
- PTA with MERCOSUR (expanding coverage).

B. Energy Security

- ONGC Videsh invested \$3.5 bn in Brazil.
- MoUs on biofuels, ethanol blending & renewables.
- Critical minerals (lithium) cooperation.

C. Food Security

- Argentina supplies >90% of India's soyil & sunflower oil.
- Cooperation in dairy, sugar, pulses & farm products.
- Support for agri tech & food value chains.

D. Maritime Security

- Cooperation in blue economy, maritime domain awareness.
- Information sharing & capacity building for safe seas.

E. Diaspora

- Strong Indian diaspora in Guyana, Trinidad & Tobago, Suriname.
- Cultural influence & people-to-people connect.

F. ITEC & Capacity Building

- ITEC training in diverse sectors.
- Thousands of scholarships under ICCR.
- Strengthening institutional capacity.

G. Health Cooperation

- Collaboration in pharma, vaccines, generics.
- Telemedicine & digital health initiatives.

H. Digital and Technology

- DPI, AI, data protection, semiconductors.
- Cooperation in startups & innovation.
- UPI adoption in Brazil (ongoing).

I. Climate and Environment

- Cooperation in climate action, renewables, clean energy.
- Joint projects on sustainability & disaster resilience.

4 RECENT DEVELOPMENTS

A. Chinese Presence

- China's trade with LAC > \$400 bn.
- Large investments in infrastructure, mining & energy.
- India faces strong competition.

B. AAGC (Africa-Asia Growth Corridor)

- Enhances connectivity & sustainable development.
- India-LAC projects in infrastructure & digital links.

C. UN Peacekeeping

- India is a major contributor to UN peacekeeping in Latin America & the Caribbean.

D. Vaccine Initiative (Vaccine Maitri)

- India supplied vaccines to several LAC nations during COVID-19.
- Strengthened health diplomacy.

E. AU's G20 Membership

- India supported African Union's permanent membership in G20.
- Boosts Global South representation.

F. Defence & Maritime Exercises

- Joint exercises (e.g. MILAN series with some LAC countries).
- Cooperation in defence industry & cybersecurity.

G. Critical Minerals Partnership

- KABIL acquired lithium assets in Argentina.
- MoU (May 2026) on lithium exploration.

H. Lines of Credit (LoC)

- India extends LoCs for infrastructure, railways, energy, water & development projects.

I. Competition with Other Powers

- US, EU, China, Turkey, Gulf countries are deepening their presence.
- India must offer competitive value.

5 CONTENTIOUS ISSUES & CHALLENGES

- Geographic distance & high logistics costs.
- Trade below potential (India-LAC \$47.8 bn vs China-LAC > \$400 bn).
- MERCOSUR PTA limited in scope; expansion slow.
- Non-tariff barriers & regulatory hurdles.

- Limited diplomatic presence in several countries.
- Complex visa regime for business & tourists.
- Strong competition from China and other global players.

6 SIGNIFICANCE FOR INDIA

Energy Security

Crude oil, gas & lithium for clean energy transition.

Food Security

Reliable source of oils, pulses, sugar & agri products.

Strategic Autonomy

Diversifies trade & reduces over-dependence.

Global South Leadership

Partner in reformed multilateralism & climate justice.

Market Diversification

650M+ consumer market for Indian goods & services.

7 WAY FORWARD

- Conclude pending FTAs (Chile, Peru & MERCOSUR expansion).
- Operationalise digital partnership (UPI, DPI, AI) for a strong tech footprint.
- Deepen critical minerals coop. — from exploration to commercial extraction.

- Enhance connectivity — shipping lines, air links & trade infrastructure.
- Expand diplomatic footprint in underrepresented LAC nations.
- Institutionalise dialogue & summit level engagement with key groupings (CELAC, Pacific Alliance).

Stronger Together for a Prosperous and Sustainable Future

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1] INTRODUCTION

Latin America and the Caribbean (LAC), comprising 33 sovereign states, is a resource-rich region holding vast reserves of critical minerals, hydrocarbons, and arable land. India shares warm and friendly relations with the region, built on shared colonial experiences, democratic values, and South-South cooperation. India elevated ties to a **Strategic Partnership with Brazil in 2006 and with Argentina in 2019**; more than 50 MoUs have been signed in recent years. The Government views LAC as a key partner under its broader South-South cooperation framework. In 2024–25, total bilateral trade with the region stood at **USD 47.81 billion** (exports 20.92 billion, imports 26.90 billion), with a near-identical level of \$47.79 billion recorded in April–January 2025–26, signalling sustained momentum

2] EVOLUTION OF INDIA–LATIN AMERICA RELATIONS

A] Early Engagement (Pre-1947 to 1970s)

India and Latin America shared a colonial legacy — British rule for India, Spanish and Portuguese for LAC — but interaction remained minimal until the post-independence era. After 1947, both India and many Latin American nations embraced **non-alignment** during the Cold War, creating sporadic cooperation at international forums. In **1968, Prime Minister Indira Gandhi visited eight Latin American and Caribbean nations**, marking India's first major diplomatic push toward the region and emphasising Third World solidarity

B] 1990s to 2014 — Economic Liberalisation and Outreach

India's 1991 economic liberalisation opened new avenues for trade with LAC. The Preferential Trade Agreement (PTA) with MERCOSUR (Brazil, Argentina, Uruguay, Paraguay) was signed in 2003 and came into effect in 2009, covering 450 products. Bilateral trade began to climb, though from a low base, and Indian companies made initial investments in energy (Brazil, Colombia) and pharmaceuticals.

C] Post-2014 — Modi's Strategic Pivot

Since 2014, India has launched a deliberate diplomatic and economic push into Latin America. High-level visits intensified sharply: PM Modi visited Guyana (Nov 2024) for the 2nd India-CARICOM Summit, and in July 2025 undertook a historic three-nation tour of Trinidad & Tobago, Argentina, and Brazil — the first bilateral visit by an Indian PM to Argentina in 57 years. Incoming visits included the Presidents of Chile (April 2025), Paraguay (June 2025), Jamaica (October 2024), and Brazil (February 2026). The 10th CII India-LAC Conclave in March 2025 drew over 600 delegates, signalling deepening business engagement. India opened a new Mission in Bolivia, while Honduras and St. Kitts & Nevis opened Missions in Delhi.

3] AREAS OF COOPERATION

A] Trade and Economic Engagement

Brazil is India's largest trading partner in the LAC region. Bilateral trade reached 15 billion by.

Key Indian exports: diesel, pharmaceuticals, insecticides, engineering goods. Key Brazilian exports: crude oil, soy oil, sugar, cotton, iron ore. India-Argentina trade rebounded to 5.23 billion in 2024, with over 53% growth in early 2025, dominated by soybean and sunflower oil imports. With Chile, a Comprehensive Economic Partnership Agreement (CEPA) is under negotiation; with Peru, an FTA is being discussed — nine rounds of talks were completed as of November 2025. The existing MERCOSUR PTA is being expanded beyond the current 450 products to cover broader agricultural and industrial goods

B] Critical Minerals and Energy Security

The Lithium Triangle (Argentina, Bolivia, Chile) holds over half the world's lithium reserves. India's KABIL (Khanij Bidesh India Ltd) — a joint venture of NALCO, Hindustan Copper, and MECL — has acquired five lithium mines in Argentina and is conducting detailed exploration. In May 2026, India and Argentina signed an MoU to deepen cooperation in lithium exploration and mining. On hydrocarbons, ONGC Videsh has invested over \$3.5 billion in Brazil's upstream sector, India's largest investment destination in the Americas. India and Brazil signed MoUs on biofuels, ethanol blending, and renewable energy, cooperating under the Global Biofuels Alliance.

C] Digital, AI, and Technology

During President Lula's February 2026 visit, India and Brazil launched a Joint Declaration on Digital Partnership for the Future, covering digital public infrastructure (DPI), AI, data protection, semiconductors, and blockchain. A Centre of Excellence for DPI is being established in Brazil. PM Modi announced plans to enable UPI adoption in Brazil. India and Brazil also agreed on cooperation under the Open Planetary Intelligence Network for climate action, AI governance, and innovation partnerships between research institutions and start-ups.

D] Defence and Aerospace

India and Brazil have expanded defence cooperation, including industrial partnerships and maintenance for Scorpène-class submarines. Brazilian planemaker Embraer and Adani Defence exchanged an MoU to set up a final assembly line for the E175 regional jet; Embraer and Mahindra Group plan an MRO facility for the C-390 Millennium military transport aircraft. Both sides also agreed to deepen collaboration in cybersecurity, space, and maritime security.

E] Agriculture and Food Security

India and LAC complement each other's agricultural needs. Argentina supplies over 90% of India's soybean and sunflower oil imports; both sides are working to enhance market access for dairy and farm products. Under the MERCOSUR PTA expansion, more agricultural and industrial goods will receive tariff preferences.

Pharmaceuticals and Healthcare

India's strength in affordable generics is a major focus. Brazil welcomed Indian pharma manufacturing companies to set up local operations, and both sides agreed to expand collaboration in joint development of medicines and vaccines. During PM Modi's Argentina visit, both sides discussed moving India from Annex-II to Annex-I of Argentina's pharmaceutical regulatory framework to ease entry of Indian medicines, alongside telemedicine and digital health initiatives.

F] Space Cooperation

Argentina's first satellite was launched by ISRO in 2007. Recent discussions have explored new collaboration in satellite development, launch services, and space applications. PM Modi highlighted India's emerging private space sector as capable of building complete rockets and satellites.

G] Diaspora and Cultural Ties

The Indian diaspora in LAC, though modest in size, is culturally influential, particularly in Guyana, Trinidad & Tobago, and Suriname. ICCR has established cultural centres in Brazil, Guyana, Mexico, Suriname, and Trinidad & Tobago, conducting yoga classes, music, and dance programmes. PM Modi regularly engages the diaspora during LAC visits, underscoring its role in people-to-people diplomacy.

H] Multilateral Cooperation

India engages LAC through multiple regional formats: CELAC (Community of Latin American and Caribbean States), CARICOM, and SICA (Central American Integration System). Both India and Brazil are active in BRICS, G20, ISA, CDRI, and the Global Biofuels Alliance, forming a dense multilateral lattice. Brazil has proposed co-chairing the Coalition for Disaster Resilient Infrastructure (CDRI)

5] CONTENTIOUS ISSUES AND CHALLENGES

- **Geographic Distance and Logistics:** Limited direct shipping routes and air connectivity raise costs and lead times.
- **Below-Potential Trade:** Despite recent growth, India-LAC trade (47.8bn) remains modest compared to China-LAC (over 400 bn), given the market sizes.
- **MERCOSUR PTA Limitations:** The current PTA covers only 450 products; expansion to a comprehensive deal has been slow.
- **Non-Tariff Barriers:** Both sides face anti-dumping, countervailing duties, and regulatory hurdles that dampen business confidence.
- **Limited Direct Diplomatic Presence:** India still lacks embassies in several LAC countries, and vice versa, hampering institutional depth.
- **Visa Regime:** Complex and slow visa processes for businesspersons and tourists constrain commercial mobility
- **Competition from China:** China's deep presence via BRI investments, mining concessions, and trade dwarfs India's

footprint across the region.

6] SIGNIFICANCE FOR INDIA

- **Energy Security:** LAC is a vital source of crude oil (Brazil, Venezuela, Colombia) and now lithium for India's EV and clean energy transition.
- **Food Security:** Argentina and Brazil are critical suppliers of edible oils, pulses, and sugar.
- **Strategic Autonomy:** Engagement with LAC diversifies India's trade and investment portfolio away from over-dependence on the US, EU, and China-.
- **Global South Leadership:** LAC countries are natural partners in India's campaign for reformed multilateralism, UNSC expansion, and climate justice.
- **Market Diversification:** A young, urbanising population of over 650 million offers a vast consumer market for Indian pharmaceuticals, automobiles, IT services, and engineering goods.

7] WAY FORWARD

- **Conclude pending FTAs:** Expedite the India-Chile CEPA, India-Peru FTA, and the MERCOSUR PTA expansion.
- **Operationalise Digital Partnership:** Leverage UPI, DPI, and AI cooperation to create a distinct Indian technology footprint.
- **Deepen Critical Minerals Cooperation:** Move from exploration to commercial extraction and processing under the KABIL framework.

- **Enhance Connectivity:** Invest in direct shipping lines, air links, and trade infrastructure.
- **Expand Diplomatic Footprint:** Open new missions to cover underrepresented LAC countries.
- **Institutionalise Dialogue:** Establish regular summit-level engagement, ministerial review mechanisms, and Track-II dialogues with key LAC groupings (CELAC, Pacific Alliance).

SOUTH-SOUTH COOPERATION

Concept

- Collective self-reliance among developing countries (Global South) for economic, technical, and political collaboration.
- Based on solidarity, mutual benefit, non-conditionality, and respect for sovereignty.
- Distinct from North-South aid, which often carries conditionalities.

Evolution

- **1955 Bandung Conference:** Foundation of Third World solidarity, anti-colonialism, non-alignment.
- **1961 NAM:** Institutionalised political cooperation among newly independent states.
- **1964 G77:** Created within UNCTAD to promote collective economic interests; now 134 members.
- **1978 Buenos Aires Plan of Action (BAPA):** First dedicated UN framework for technical cooperation among developing countries.
- **BAPA+40 (2018):** Reaffirmed relevance amid SDGs and

rising South-South trade.

India's Role

- Historic leader of NAM and G77; strong advocate of decolonisation and equitable global order.
- **ITEC (1964)**: One of the oldest South-South capacity-building programmes; largest beneficiaries in Africa and Asia.
- **Lines of Credit**: Over \$30 billion across developing countries, especially Africa, with no harsh conditionalities.
- **Vaccine Maitri (2021)**: Supplied millions of COVID-19 vaccine doses to developing nations, reinforcing Global South solidarity.
- **SAGAR doctrine**: Maritime security and capacity building for Indian Ocean littoral states.
- **Voice of the Global South Summits (2023, 2024)**: India convened over 120 developing countries to articulate shared concerns on climate, debt, and development.

Recent Developments

- **AU in G20 (2023)**: Championed by India during its G20 presidency; historic inclusion of Global South in elite governance.
- **BRICS expansion (2023)**: Six new developing countries admitted; deepening institutional weight.
- **Global South Summits**: Addressed energy, food, and fertiliser crises post-Ukraine war; push for reformed multilateralism.
- **ISA & CDRI**: India-led coalitions offering climate solutions

to developing countries, anchored in South-South principles.

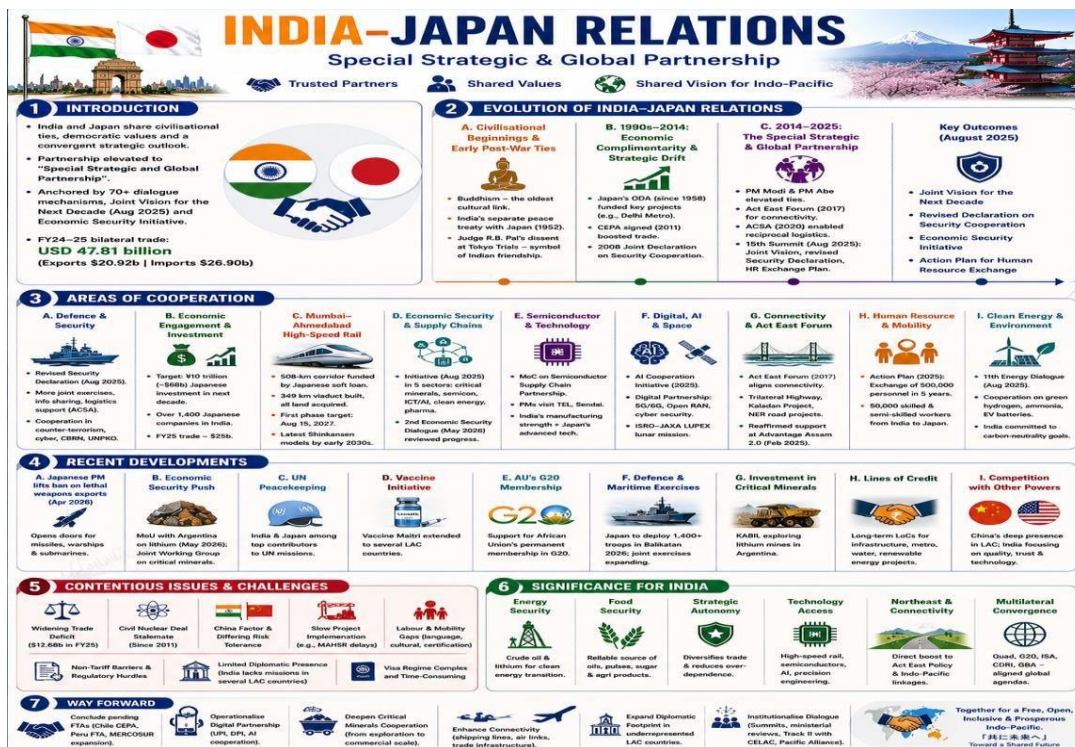
- **Digital Public Infrastructure (DPI):** India offering India Stack (UPI, Aadhaar) to developing nations as public goods.
- Challenges
- **Resource asymmetry:** Developing countries still depend on Northern markets and finance, limiting true self-reliance.
- **Divergent interests:** Heterogeneity within Global South (LDCs vs. emerging economies) complicates collective bargaining.
- **China's role:** Blends South-South rhetoric with strategic interests, creating competition and debt concerns.
- **Implementation gap:** Declarations often outpace delivery; capacity constraints and funding shortages persist.

Way Forward

- Move from declaratory solidarity to concrete project-based cooperation.
- Strengthen institutions like the New Development Bank (NDB) for southern financing.
- Leverage India's DPI, renewable energy, and pharma strengths for scalable South-South solutions.
- Build issue-based coalitions (climate finance, debt restructuring, health security) within the Global South.
- Push for UNSC, IMF, and World Bank reforms to reflect current global realities.

Unit – 23

INDIA-JAPAN RELATIONS



1. INTRODUCTION

India and Japan share a "Special Strategic and Global Partnership" rooted in civilisational ties, shared democratic values, and a convergent strategic outlook. The relationship has deepened dramatically over the past decade into security, defence, trade, investment, technology, and people-to-people links. Anchored by over 70 dialogue mechanisms, the partnership is now driven by a **Joint**

Vision for the Next Decade (August 2025), a revised **Joint Declaration on Security Cooperation**, and an **Economic Security Initiative** that targets critical minerals, semiconductors, AI, clean energy, and resilient supply chains — positioning both nations as pivotal actors in shaping the Indo-Pacific order.

2. EVOLUTION OF INDIA–JAPAN RELATIONS

A] Civilisational Beginnings & Early Post-War Ties

Buddhism, carried from India to Japan via China and Korea, is the oldest cultural thread. Post-WWII, India's refusal to attend the 1951 San Francisco Conference and its separate peace treaty with Japan (1952) laid the foundation of goodwill. Judge Radha Binod Pal's dissenting opinion at the Tokyo Trials became a symbol of Indian friendship.

B] 1990s–2014: Economic Complimentarity & Strategic Drift

Japan's ODA (Official Development Assistance), which began in 1958, funded critical infrastructure including the Delhi Metro. The 2011 Comprehensive Economic Partnership Agreement (CEPA) boosted trade. The 2008 Joint Declaration on Security Cooperation formalised defence ties, but the relationship remained largely economic, lacking a hard-security spine. The civil nuclear deal negotiations stalled after Fukushima (2011).

C] 2014–2025: The Special Strategic & Global Partnership

Prime Minister Modi and PM Shinzo Abe (2012–20) elevated the

relationship into a "Special Strategic and Global Partnership." The India–Japan Act East Forum (2017) aligned connectivity efforts in the Northeast. The Acquisition and Cross-Servicing Agreement (ACSA/2020) enabled reciprocal logistics support. The landmark **15th Annual Summit (August 2025)** between PM Modi and PM Ishiba Shigeru produced a Joint Vision for the Next Decade, a revised Security Cooperation Declaration, and an Action Plan for Human Resource Exchange.

3. AREAS OF COOPERATION

A] Defence & Security: The New Core

The revised **Joint Declaration on Security Cooperation (August 2025)** — updating the 2008 version — makes defence a priority pillar. Key provisions include:

- More frequent and complex bilateral exercises across all three services; exploring **tri-service HADR exercises**.
- Enhanced information sharing and use of each other's facilities for repair and maintenance.
- Expanded reciprocal logistics support under the ACSA.
- Cooperation in niche domains: counter-terrorism, cyber-defence, peacekeeping, and **CBRN (Chemical, Biological, Radiological, Nuclear) defence**.

A transformative moment came in **April 2026**, when Japanese PM Sanae Takaichi lifted the blanket ban on **lethal weapons exports**, allowing potential sale of missiles, advanced warships, and submarines. India welcomed the move, recognising its potential to unlock defence-industrial cooperation. Japan has also confirmed plans to participate with over **1,400 troops** in the largest-ever US-Philippines Balikatan exercise in 2026.

B] Economic Engagement & Investment

The 2025 Summit set a target of **¥10 trillion approximately 68billion) in Japanese private investment into India over the next decade.**

Japan External Trade Organization data shows over 1,400 Japanese companies operating in India. Bilateral trade in FY25 was approximately **25 billion**, with Japan being a major source of FDI.

C] The Mumbai–Ahmedabad High-Speed Rail (MAHSR)

The 508-km bullet train corridor, funded by a Japanese soft loan (approx. ₹1 lakh crore at 0.1% interest, 50-year repayment), is India's flagship infrastructure project. As of May 2026: **349 km of viaduct completed**, all land acquired, 8 of 12 station foundations finished, and the first Tunnel Boring Machine (TBM) cutterhead lowered at Vikhroli for the 21-km undersea tunnel. The first section in Gujarat is targeted for commissioning by **August 15, 2027**. Japan also confirmed plans to

introduce the latest Shinkansen models by the early 2030s.

D] Economic Security & Supply Chains

The **India-Japan Economic Security Initiative** (August 2025) prioritises resilient supply chains in five sectors: **critical minerals, semiconductors, ICT/AI, clean energy, and pharmaceuticals**. The second Economic Security Dialogue (May 2026) co-chaired by Foreign Secretary Vikram Misri reviewed these efforts and emphasised stronger public-private partnerships.

E] Semiconductor & Tech Partnership

A **MoC on the Japan-India Semiconductor Supply Chain Partnership** is guiding collaboration. During the 2025 Summit, PM Modi and PM Ishiba jointly visited **Tokyo Electron Miyagi Ltd (TEL)** in Sendai, a leading semiconductor equipment maker, underscoring the complementarity between India's semiconductor manufacturing ambitions and Japan's advanced equipment and materials strengths.

F] Digital, AI & Space

The **Japan-India AI Cooperation Initiative** (2025) targets joint development of Large Language Models. The **India-Japan Digital Partnership** covers 5G/6G, Open RAN, and cybersecurity. In space, **ISRO and JAXA** are collaborating on the joint **LUPEX lunar mission**. A **Joint Working Group on Critical Minerals** was established to secure rare earths and other strategic raw materials for green technologies.

G] Connectivity & the Act East Forum

The **India-Japan Act East Forum (2017)** synergises India's Act East Policy with Japan's vision for a Free and Open Indo-Pacific. Key projects include the **North East Road Network Connectivity Improvement Project** (NH-40, NH-54), the **Trilateral Highway (India-Myanmar-Thailand)**, and the **Kaladan Multimodal Transit Transport Project**. At Advantage Assam 2.0 (February 2025), Japan reaffirmed its commitment to NER development.

H] Human Resource & Mobility

The **Action Plan for Human Resource Exchange (2025)** targets exchange of **500,000 personnel over five years**, including **50,000 skilled and semi-skilled professionals** from India to Japan, addressing Japan's acute demographic labour shortage.

I] Clean Energy & Environment

Under the **11th Japan-India Energy Dialogue** (August 2025), the two countries are deepening cooperation on green hydrogen, ammonia, EV batteries, and energy efficiency. India committed to working with Japan on carbon-neutrality targets.-

5. CONTENTIOUS ISSUES & CHALLENGES

A] Widening Trade Deficit

India's trade deficit with Japan surged from **3.5 billion** in FY **11** to **12.68 billion in FY25**. Japanese exports to India more than double to

18.92 billion, while Indian exports stagnated around 6.2 billion.

India seeks a CEPA review modelled on the Japan-US deal, seeking greater market access for rice, textiles, and pharmaceuticals, and the removal of non-tariff barriers.

B] Civil Nuclear Deal Stalemate

Negotiations for a civil nuclear cooperation agreement remain deadlocked since 2011. Japan's sensitivity over its non-proliferation commitments and India's nuclear liability law continue to block progress, depriving India of Japanese reactor technology.

C] China Factor & Differing Risk Tolerance

Both nations share concerns over China's assertiveness in the East and South China Seas. However, Japan's direct territorial disputes with China create a higher threat perception. India prefers a hedging strategy, while Japan seeks stronger collective balancing, occasionally creating expectations gaps.

D] Slow Project Implementation

While Japan's ODA is generous, project execution — particularly land acquisition and regulatory clearances — faces delays. The MAHSR project was originally scheduled for 2023, now pushed to 2027 for the first phase.

E] Labour & Mobility Gaps

While the 2025 Action Plan is ambitious, language barriers, cultural

differences, and certification mismatches between Indian and Japanese standards remain major hurdles for the 50,000 skilled-worker target.

6. SIGNIFICANCE FOR INDIA

- **Security:** A critical partner in the Quad, offering defence technology, maritime domain awareness, and a balancing force against China's naval expansion.
- **Infrastructure & Investment:** The largest bilateral ODA donor to India; the MAHSR project symbolises technology transfer and deep economic trust.
- **Supply-Chain De-Risking:** The Economic Security Initiative helps India diversify from China-dependent supply chains in semiconductors and critical minerals.
- **Technology:** Access to Japanese expertise in high-speed rail, precision engineering, AI, and semiconductor manufacturing.
- **Northeast & Connectivity:** Japan's investments in the NER align directly with India's Act East Policy and Indo-Pacific connectivity goals.
- **Multilateral Convergence:** Both are founding members of the Quad and cooperate in G20, G7 outreach, and ASEAN-led forums.

Unit – 24

INDIA–UK RELATIONS

1] INTRODUCTION

India and the United Kingdom share a **Comprehensive Strategic Partnership** (elevated in May 2021), underpinned by a **1.8-million-strong Indian diaspora**, deep historical ties, and a shared commitment to democracy and a rules-based international order. The relationship has been decisively recast from its colonial past into a forward-looking partnership of equals. The **India-UK Roadmap 2030** guides cooperation, and the partnership achieved a historic milestone with the **conclusion of the India-UK Free Trade Agreement in May 2026** during Prime Minister Modi's visit to London. The FTA is expected to double bilateral trade by 2030. The two countries also cooperate intensively in defence, technology, climate action, education, and health, and have sustained steady momentum through political transitions in London — from Rishi Sunak to Keir Starmer — with frequent high-level visits and institutionalised dialogues.

2] EVOLUTION OF INDIA–UK RELATIONS

A] Colonial Era to Post-Independence Reckoning (Pre-1947 to 1990s) The colonial relationship cast a long shadow, but post-1947

B] India chose to remain in the Commonwealth. Britain remained an important economic partner, though Cold War dynamics and the UK's diminished global role kept the relationship functional rather than strategic. India's 1991 economic liberalisation revived British commercial interest, and the 1990s saw a steady expansion in people-to-people and business links.

C] Strategic Partnership and the Cameron–Modi Reset (2004–2016)

The relationship was upgraded to a **Strategic Partnership in 2004**. Prime Minister David Cameron's 2010 visit signalled renewed British ambition, but it was Prime Minister Narendra Modi's **November 2015 visit to London** and the return visit by PM Theresa May in 2016 that injected genuine momentum, with defence, counter-terrorism, and economic cooperation gaining prominence.

D] Post-Brexit Impetus and the Comprehensive Strategic Partnership (2016–2021)

Brexit compelled the UK to reimagine its global trade and strategic relationships, and India emerged as a clear priority. A virtual summit in **May 2021** between PM Modi and PM Boris Johnson produced the **India-UK Roadmap 2030**, elevated ties to a **Comprehensive Strategic Partnership**, and formally launched the negotiations for a Free Trade Agreement.

E] Political Transitions and the FTA Breakthrough (2022–2026)

The brief premiership of Liz Truss, the historic tenure of Rishi Sunak

(the first British Prime Minister of Indian heritage, 2022–2024), and the subsequent election of **Keir Starmer's Labour government** in 2024 did not disrupt the bilateral trajectory. FTA negotiations continued across more than 15 rounds. The defining breakthrough came in **May 2026**, when PM Modi visited London and the two sides concluded the long-negotiated Free Trade Agreement, marking a generational shift in economic relations.

3] AREAS OF COOPERATION

A] Trade, Investment, and the FTA

The UK is India's **sixth-largest trading partner**, with bilateral trade in goods and services crossing **£40 billion** in 2024–25. After over 15 rounds of negotiation since January 2022, the two sides **concluded the India-UK Free Trade Agreement in May 2026**. The deal is expected to **double bilateral trade by 2030**.

The concluded FTA delivers:

- **Tariff concessions:** India agreed to phased reductions on Scotch whisky, automobiles, and wines; the UK granted greater market access for Indian textiles, rice, and generic pharmaceuticals.
- **Mobility:** The UK committed to a more liberal regime for Indian professionals (Mode 4), while India eased temporary entry for UK service suppliers.
- **Intellectual Property:** A balanced IP chapter protects Indian generic drug manufacturing while providing modern IP standards for UK innovators.

- **Sustainability:** Enforceable environmental and labour standards are included, with India securing transitional flexibilities to safeguard its development policy space.

B] Defence and Security

Defence cooperation has deepened significantly. The **India-UK Defence and International Security Partnership (DISP)**, signed in 2015 and expanded in 2022, anchors the security relationship. Key elements include joint exercises across all three services — the tri-service exercise **Konkan Shakti**, naval exercise **Konkan**, and army exercise **Ajeya Warrior** — as well as regular UK Carrier Strike Group visits to the Indian Ocean. A major new element is the **UK-India combat aircraft engine partnership** and collaboration on **electric propulsion systems** for future Indian naval vessels. The UK has also issued **Open General Export Licences (OGELs)** for India, reducing bureaucratic barriers to defence trade. Deep intelligence-sharing and a joint working group on counter-terrorism further reinforce this pillar.

C] Technology, Innovation, and Digital Partnership

The **India-UK Science, Technology and Innovation Council** drives collaboration. An **India-UK Digital Partnership** covers 5G/6G, artificial intelligence, quantum technologies, digital health, and fintech. A joint task force on AI governance was established, and a **semiconductor partnership** was launched in 2025, combining UK design capabilities with India's manufacturing ambitions. Space cooperation is growing under a **Space Bridge**, and both countries have launched innovation

challenges in clean energy, agritech, and AI, with the UK remaining a top destination for Indian tech start-ups.

D] Climate, Energy, and Green Transition

India and the UK jointly launched the **Green Grids Initiative — One Sun One World One Grid (OSOWOG)** at COP26 in Glasgow (2021).

Both are active members of the **International Solar Alliance** and the **Coalition for Disaster Resilient Infrastructure**. Their cooperation extends to offshore wind, green hydrogen, and electric vehicle battery technology, and they

co-chair the Climate Finance Leadership Initiative. E]

Education, Research, and the Diaspora

The **1.8-million-strong Indian diaspora** is the UK's largest ethnic minority, contributing over **£36 billion annually** to the economy and occupying high offices from Prime Minister to Cabinet ministers. Over **1,00,000 Indian students** currently study in the UK, a number that has more than doubled since 2020. The **Mutual Recognition of Academic Qualifications (2022)** and the **UK-India Education and Research Initiative (UKIERI)** facilitate faculty exchanges and joint research.

F] Health, Pharmaceuticals, and Life Sciences

India supplies nearly a quarter of the UK's generic medicines by volume. Under the **India-UK Health and Life Sciences Partnership**, the two countries collaborate on vaccine development, clinical trials, anti-microbial resistance, and digital health, an engagement deepened by post-COVID pandemic preparedness efforts.

5] CONTENTIOUS ISSUES AND CHALLENGES

A] Immigration and Mobility Balances

Although the concluded FTA provides for greater mobility, the UK's earlier restrictions on student dependents (2024) created friction. Managing the balance between skilled migration and domestic political pressures remains an ongoing task.

B] Legacy Issues and the Colonial Past

Occasional diplomatic sensitivity arises over the UK's handling of historical symbols and colonial-era artefacts. However, both governments have deliberately focused on the forward-looking partnership, ensuring that nostalgia does not derail contemporary cooperation.

C] Pro-Khalistan Elements and Extremism

The presence of pro-Khalistan groups in the UK and incidents of anti-India activities, including the 2023 breach of the Indian High Commission, have periodically strained ties. Both sides have since strengthened counter-extremism cooperation, but the issue remains a latent irritant requiring constant vigilance.

D] Geopolitical Alignments

The UK's firm alignment with the US, the AUKUS pact, and its stance on the Ukraine war occasionally create a different risk calculus from India's multi-aligned posture. These differences are managed through sustained dialogue, with the Indo-Pacific serving as a key area of strategic convergence.

6] SIGNIFICANCE FOR INDIA

- **Trade and Investment:** The FTA is set to double bilateral trade by 2030 and unlock British FDI into Indian manufacturing, technology, and services.
- **Defence and Technology:** Access to cutting-edge British jet engine, electric propulsion, and semiconductor design capabilities directly supports the Atmanirbhar Bharat mission.
- **Diaspora and Soft Power:** A powerful, politically influential diaspora acts as a permanent bridge, amplifying India's voice in British public life.
- **Education and Skilling:** The UK is a preferred destination for Indian students and a vital partner in research and vocational skilling.
- **Indo-Pacific:** The UK is a valued maritime security partner, complementing the Quad and India's broader regional vision.
- **Multilateral Convergence:** Both nations work closely in the UN, Commonwealth, G20, and on climate finance and global health, reinforcing a rules-based international order.

Unit -25

INDIA-EU RELATIONS



1] INTRODUCTION

The European Union, a political and economic union of 27 member states, is India's largest trading partner as a bloc, a major source of foreign direct investment, and a vital partner in technology, climate action, and global governance. The relationship, elevated to a **Strategic Partnership in 2004**, has broadened significantly since 2021, driven by shared concerns over China's assertiveness, supply-chain resilience, and the green-digital twin transition. The **India-EU Leaders' Meeting in May 2021** and the launch of the **Trade and Technology Council (TTC) in 2023** deepened the institutional architecture. The long-stalled Free Trade Agreement, relaunched in 2021, was successfully concluded in early 2026, marking a historic milestone in the partnership. Both sides have now set their sights on implementing an ambitious, comprehensive deal that will reshape bilateral commerce.

2] EVOLUTION OF INDIA-EU RELATIONS

Early Years (1960s–1993): India was among the first countries to establish diplomatic relations with the European Economic Community in 1962. The 1973 Joint Declaration of Intent and the 1981 Commercial and Economic Cooperation Agreement laid the groundwork, focusing on trade and development aid. The collapse of the Soviet Union and India's 1991 reforms created new openings.

Institutional Deepening (1994–2004): The 1994 Cooperation Agreement expanded the relationship beyond trade to include political dialogue, science, and culture. Regular annual summits began in

2000, and in 2004, the relationship was upgraded to a **Strategic Partnership** at the 5th India-EU Summit in The Hague.

Stalled Momentum (2004–2020): Despite the strategic label, the relationship underperformed. The Bilateral Trade and Investment Agreement, launched in 2007, stalled after 16 rounds by 2013 over tariffs (automobiles, wines, dairy), data privacy, and intellectual property. EU criticism of India’s human rights record and India’s perception of the EU’s limited relevance in hard-security matters contributed to the drift, as did the EU’s limited geopolitical footprint and India’s orientation toward the US and Asia.

Post-2021 Re-engagement and the FTA Breakthrough: Several factors catalysed a dramatic revival after 2021: the COVID-19 pandemic, the Ukraine war, Chinese assertiveness, and a global supply-chain rethink. The **May 2021 India-EU Leaders’ Meeting in Porto** produced a new roadmap, launched the EU-India Connectivity Partnership, and resumed FTA negotiations. The **Trade and Technology Council** was inaugurated in 2023, and high-level visits — including Prime Minister Modi’s trip to Brussels in 2022 and President von der Leyen’s visit to India in 2025 — sustained momentum. After several rounds of intense negotiations, the two sides **concluded the India-EU Free Trade Agreement in early 2026**, opening a new chapter in the partnership.

3] AREAS OF COOPERATION

A] Trade and Investment — The Concluded FTA

The EU is India's largest trading partner in goods and services combined, with total bilateral trade crossing **€120 billion** in 2023–24. The **India-EU Free Trade Agreement, concluded in early 2026** after several rounds of intensive negotiation, is set to be the most ambitious trade deal India has signed with any bloc.

Key outcomes of the concluded FTA:

-
- **Tariffs:** India agreed to phased reductions on automobiles, wines, spirits, and dairy; the EU provided expanded market access for Indian textiles, rice, pharmaceuticals, and services.
- **Mobility:** India secured improved **Mode 4** commitments for the temporary movement of skilled professionals, while the EU obtained greater predictability for intra-corporate transfers.
- **Intellectual Property:** A balanced IP chapter protects India's generic pharmaceutical industry while providing modern standards for EU innovators.
- **Sustainability:** Enforceable environmental and labour standards are included, with India obtaining transitional flexibilities.
- **Investment Protection:** A dedicated investment chapter replaces the lapsed bilateral investment treaties, providing a modern dispute resolution mechanism.

EU foreign direct investment stock in India exceeds **€87 billion**, and over **4,500 EU companies** operate in the country. The FTA is expected to boost bilateral trade substantially and diversify supply chains.

B] Trade and Technology Council (TTC)

Launched in February 2023, the TTC is the first such council the EU has created with any partner and the second for India after the US. It operates through three working groups: strategic technologies, digital governance, and connectivity (5G/6G, AI, quantum, semiconductors, digital public infrastructure); green and clean energy technologies (hydrogen, battery storage, circular economy); and trade, investment, and resilient supply chains (critical minerals, pharma, supply-chain mapping). With the FTA now concluded, the TTC's role will pivot increasingly toward technology co-development and standards harmonisation.

C] Climate, Energy, and Green Transition

The India-EU Clean Energy and Climate Partnership (2016) and the Green Hydrogen Partnership (2022) focus on renewable energy deployment, energy efficiency, and joint research. India participates in the EU-backed International Solar Alliance and the Coalition for Disaster Resilient

Infrastructure. The EU's **Global Gateway** strategy has pledged **€150 billion** for sustainable infrastructure, including in India and the Indo-Pacific. The FTA's sustainability chapter reinforces this cooperation.

D] Connectivity and Indo-Pacific

The **EU-India Connectivity Partnership (2021)** promotes transparent, sustainable, and rules-based infrastructure in third countries — a direct counterpoint to China's BRI. The EU's **Indo-Pacific Strategy (2021)** explicitly identifies India as a "natural partner" for maritime security, freedom of navigation, and regional stability. Joint projects

are underway in Africa, Central Asia, and the Indian Ocean Region.

E] Defence and Security

Defence cooperation, historically modest, is deepening. The EU and India have expanded joint naval exercises (including India's participation in EU-led anti-piracy operations off Somalia), cyber-security dialogues, and counter-terrorism information sharing. India has been invited to join the EU's **Permanent Structured Cooperation (PESCO)** projects on a case-by-case basis, and regular consultations on Afghanistan, the Middle East, and Ukraine reinforce political coordination.

F] Research, Innovation and Education

Under **Horizon Europe (2021–2027)**, India is a partner country, with joint research in health, water, clean energy, and AI. The **Erasmus+** programme has supported over 50,000 Indian students and scholars since 2004. Indian institutions collaborate with European partners under the Marie Skłodowska-Curie Actions and the European Research Council.

G] People-to-People and Diaspora

The Indian diaspora in the EU numbers over **2.5 million**, concentrated in the Netherlands, Germany, Italy, and France. The community contributes to host economies and acts as a living bridge, with cultural ties sustained through events like the Namaste France festival and Europe-wide International Day of Yoga celebrations.

4] RECENT DEVELOPMENTS (2021–2026)

Key milestones include the May 2021 Leaders' Meeting in Porto (launching the Connectivity Partnership and resuming FTA talks); President von der Leyen's visits to New Delhi in April 2022 and January 2025 (deepening climate and digital cooperation); the inauguration of the TTC in February 2023 and its first two ministerial meetings; and PM Modi's July 2022 visit to Berlin. The EU-India Strategic Partnership Roadmap 2025-30 was discussed in September 2023, and a Human Rights Dialogue took place in November 2023. By February 2024, the second TTC meeting saw progress on semiconductors, 6G, and green hydrogen standards. The sixth round of FTA negotiations in October 2025 brought convergence on investment protection and geographical indications. The **FTA was formally concluded in early 2026**, with a signing ceremony expected shortly thereafter. A Maritime Dialogue in March 2026 focused on Indo-Pacific and Red Sea security, and the Cyber Dialogue expanded to include critical infrastructure and AI.

5] CONTENTIOUS ISSUES AND CHALLENGES

A] Regulatory Divergence

EU regulations on data protection (GDPR), deforestation-free supply chains, and sustainability reporting continue to impose compliance costs on Indian exporters. India's data localisation norms and e-commerce rules are still viewed by some in the EU as protectionist. The FTA provides a framework to resolve some of these issues over time.

B] Human Rights and Values

The European Parliament has passed resolutions critical of India's human rights situation, particularly regarding press freedom, minority rights, and civil liberties. India views these as intrusive and selectively applied, creating periodic political friction. The FTA's sustainability chapter provides a mechanism for dialogue, but the underlying tension remains.

C] Geopolitical Divergences

On the Ukraine war, India's refusal to condemn Russia and its continued import of Russian crude contrast with the EU's firm sanctions-based approach. While the EU has largely accepted India's stance, this divergence continues to limit the depth of strategic alignment.

D] China Factor

The EU seeks India as a partner in de-risking from China but remains reluctant to fully commit to the Indo-Pacific security architecture in a manner that might provoke Beijing. India values the EU's economic weight but continues to question its willingness to act as a full-spectrum geopolitical player.

6] SIGNIFICANCE FOR INDIA

The EU is India's largest trading bloc and a critical source of high-end technology, capital, and investment. With the FTA now concluded, it is set to become an even more significant economic partner. It is a strategic partner in the Indo-Pacific for balancing China's influence, a

climate and green transition ally with shared interests in renewables, hydrogen, and sustainable finance, and a high-growth market for pharmaceuticals and IT services. Both sides share multilateral convergence on UNSC reform, the WTO, and global health governance, and the EU serves as a vital counterweight to over-dependence on any single power, be it the US or Russia.

Unit - INDIA–WEST ASIA RELATIONS

1] INTRODUCTION

West Asia — also referred to as the Middle East — is a region of pivotal geopolitical, economic, and strategic significance for India. It supplies over **60% of India's crude oil imports**, hosts a diaspora of roughly **9 million Indian nationals** who send a substantial share of the country's inward remittances, and serves as the critical land-sea bridge for India's connectivity to Europe and Central Asia. India's engagement with the region has undergone a fundamental transformation over the past decade: from a relationship once defined largely by energy imports and expatriate labour, it has evolved into a **multi-dimensional strategic partnership** spanning defence, technology, investment, food security, and regional diplomacy. The relationship is now anchored by **Strategic Partnership Councils** with Saudi Arabia and the UAE, a **Special Strategic Partnership** with Israel, a **Comprehensive Economic Partnership Agreement (CEPA)** with the UAE (2022), and **Free Trade Agreement negotiations** with the Gulf Cooperation Council (GCC) as a bloc. India's calibrated, de-hyphenated

foreign policy — maintaining strong ties with Israel, the Arab Gulf states, and Iran simultaneously — is being stress-tested by the **2025–2026 West Asia conflict** and the Strait of Hormuz crisis.

2] EVOLUTION OF INDIA'S WEST ASIA POLICY

A] Pre-Independence and Nehruvian Era (Pre-1947 to 1970s)

Civilisational links between India and West Asia date back millennia through maritime trade, the spread of Islam, and cultural exchange. In the post-independence era, Prime Minister Nehru's policy was shaped by anti-colonial solidarity, support for the Palestinian cause, and the Non-Aligned Movement. India was a strong advocate of Arab nationalism and maintained close ties with Egypt under Nasser, while relations with Israel remained distant — India recognised Israel only in 1950 but established full diplomatic relations only in 1992.

B] 1970s–1991 Energy Security and Labour Migration

The 1973 oil shock exposed India's acute energy vulnerability, and Gulf remittances began to flow in earnest as large-scale Indian labour migration to the Gulf Cooperation Council (GCC) states accelerated through the 1970s and 1980s. The Gulf became India's primary source of crude oil and its largest remittance corridor, but the relationship remained largely transactional — energy and labour, with minimal strategic or defence content.

C] 1991–2014 — Economic Reform and Strategic Broadening

India's 1991 economic liberalisation opened new avenues for trade, investment, and technology cooperation. Full diplomatic relations with

Israel (1992) marked a turning point, unlocking defence and agricultural cooperation. The **Delhi Declaration (2006)** and **Riyadh Declaration (2010)** with Saudi Arabia elevated ties to a strategic partnership. India began participating in regional security dialogues and expanding naval cooperation in the Arabian Sea and Gulf of Aden.

D] 2014–2025 — The Strategic Transformation

Under the Modi government, West Asia policy was fundamentally recast along de-hyphenated lines — India engaged each country on its own merits, maintaining robust ties with Israel, Saudi Arabia, the UAE, and Iran simultaneously, without allowing one relationship to constrain another. Landmark developments include:

PM Modi's visits to the UAE (2015, 2018, 2023, 2025), Saudi Arabia (2016, 2019, 2025), Israel (2017, 2026), Qatar, Oman, and Bahrain.

The **CEPA with the UAE (2022)** — India's first comprehensive free trade agreement with a Gulf nation.

The **I2U2 grouping (2021)** with Israel, the UAE, and the US.

The **India-Middle East-Europe Economic Corridor (IMEEC)** , announced at the 2023 G20 Summit.

The India-Saudi Arabia Strategic Partnership Council (2019) .

The **Abraham Accords (2020)** , which India welcomed and which opened new trilateral possibilities.

E] 2025–2026 — The War in West Asia and a New Stress Test

The **US-Israeli air campaign against Iran** beginning in February 2026,

Iran's blockade of the **Strait of Hormuz**, and the broader regional conflagration have disrupted energy flows, supply chains, and connectivity projects. India's de-hyphenation strategy is facing its most severe test: the Chabahar sanctions waiver lapsed in April 2026, Indian personnel were withdrawn from the port, and India briefly resumed Iranian oil imports under a 30-day US waiver before it expired. The crisis has simultaneously reinforced the strategic logic of IMEEC and I2U2 while exposing India's vulnerability to regional instability.

3] KEY PILLARS OF ENGAGEMENT

A] Energy Security

West Asia remains the **indispensable foundation of India's energy security**. The Gulf's share of Indian crude imports stands at **over 60%**. Key structural developments include:

Qatar LNG: A 20-year agreement (February 2024) between Petronet and QatarEnergy for **7.5 million tonnes of LNG annually** (2028–2048), effectively writing Qatar into India's energy planning for a generation.

UAE Strategic Petroleum Reserves: ADNOC became the first international company to store crude in India's strategic petroleum reserve at Mangaluru (2018); a **2025 agreement** expands UAE

participation to **30 million barrels** and includes strategic gas storage.

Saudi Arabia Refineries: In April 2025, India and Saudi Arabia agreed to jointly construct **two oil refineries** on Indian soil, anchored in Riyadh's 100 billion investment pledge across energy, petrochemicals, and adjacent sectors. Aramco is in talks on an 11 billion refinery and petrochemical complex in Andhra Pradesh.

Green Hydrogen & Renewables: India and Saudi Arabia signed an MoU (March 2026) on **electrical interconnections, green and clean hydrogen, and resilient supply chains**. India and the UAE have complementary green hydrogen strategies targeting export markets in Europe and East Asia.

Strait of Hormuz Crisis (2026): The closure since February 28, 2026, has accelerated India's diversification and underscored the strategic urgency of alternate energy corridors.

FTA Negotiations:

- **India-GCC Free Trade Agreement:** Terms of Reference signed on **5 February 2026**; Joint Statement formally launching negotiations signed on **24 February 2026** by Commerce Minister Piyush Goyal and GCC Secretary-General. The FTA will cover goods, services, digital trade, and investment.
- **India-Israel FTA:** Terms of Reference signed in **November 2025**; first round of negotiations held **February 23–26, 2026** in New Delhi. Elevated to a "Special Strategic Partnership" during PM Modi's February 2026 visit.

- **India-Oman FTA:** Cabinet approved in **December 2025**.

C] Diaspora and Remittances

The Indian diaspora in West Asia numbers approximately **8.5–9 million**, concentrated in the GCC states. Country-wise estimates (as of 2025):

Country	Indian Diaspora (approx.)
UAE	3.89 million
Saudi Arabia	2.75 million
Kuwait	1.01 million
Qatar	~0.8 million
Oman	~0.7 million
Bahrain	0.35 million

India's total remittance inflow reached a record **\$135.46 billion in 2024–25**, up 14% from the previous year, with the Gulf remaining the single largest source. India has been the world's top remittance recipient for over a decade. The MEA operates Joint Working Groups with GCC countries on migrant worker welfare; diaspora policy rests on four pillars: **Care, Connect, Celebrate, and Contribute**.

Defence cooperation has deepened dramatically:

UAE: A Framework for Strategic Defence Partnership was signed during PM Modi's May 2026 visit, covering advanced technologies, maritime security, cyber defence, training, and secure communications. Joint exercises (Desert Eagle, naval drills) and defence industrial collaboration are expanding.

Saudi Arabia: The **Strategic Partnership Council** (2019) includes a Committee on Political, Security, Social and Cultural Cooperation, with a Joint Committee on Defence Cooperation. NSA Ajit Doval's April 2026 visit focused on four key pillars: stable supply chains, Strait of Hormuz security, enhanced intelligence sharing, and stronger economic ties. In April 2025, the SPC was expanded to include a dedicated Ministerial Committee on Defence Cooperation.

Israel: India is the **largest buyer of Israeli defence equipment**, accounting for up to **34% of Israel's arms exports**. The February 2026 visit elevated ties to a **Special Strategic Partnership**, with **17 agreements** signed. A "**confidentiality framework**" was established granting India access to restricted Israeli defence systems, including potential integration of Iron Dome elements into India's **Sudarshan Chakra** air defence shield. India also reportedly finalised a major missile system order.

Oman & Qatar: Defence cooperation includes joint exercises (Al Najah, Naseem Al Bahr), naval logistics, and access to ports (Duqm for Indian naval vessels).

Counter-Terrorism: Intelligence sharing and counter-terrorism coordination have deepened bilaterally with Gulf states and Israel, particularly in the aftermath of the 2023 Hamas attack and the 2025 Pahalgam attack.

E] Connectivity — IMEEC, Chabahar, and INSTC

India-Middle East-Europe Economic Corridor (IMEEC):

Announced at the **2023 G20 Summit** in New Delhi with signatories including India, the US, France, Germany, Italy, Saudi Arabia, the UAE, and the EU, IMEEC envisions a connected web of rail and sea routes linking India to Europe through Gulf rail networks, undersea cables, and pipelines. Since May 2025, signatories have held regular senior-official meetings (the latest in Trieste, March 2026), with **five technical working groups** established. The **eastern leg** (India-Gulf) has made progress, with India, the UAE, and Saudi Arabia quietly advancing the India-Gulf segment. The **Strait of Hormuz closure (2026)** has made IMEEC an urgent strategic priority. PM Modi's May 2026 Rome visit with Italian PM Meloni placed IMEEC at the centre of discussions.

Chabahar Port:

India has invested heavily in Iran's Chabahar port as its gateway to Afghanistan and Central Asia, bypassing Pakistan. However, the US sanctions waiver on Chabahar **lapsed on 26 April 2026**, forcing India to withdraw personnel, pre-pay its \$120 million commitment, and consider transferring its stake to an Iranian entity. Iran's Foreign Minister urged India to continue developing the port, calling it a "Golden Gate" to Central Asia and Europe. The future of Chabahar

remains uncertain, directly impacting India's connectivity ambitions.

INSTC: The International North-South Transport Corridor, linking India to Russia via Iran, is affected by the same sanctions-related uncertainties. *Technology, Space, and Digital Cooperation*

India-Israel: 17 agreements signed in February 2026 cover **AI, quantum technologies, critical minerals, digital health, civil nuclear energy, and space**. India's **UPI** will be enabled in Israel. Agricultural Centres of Excellence to be expanded to **100**, with new "Villages of Excellence" for direct Israeli technology transfer to rural India.

India-UAE: An **8 Exaflop supercomputing cluster** was announced in May 2026, a partnership between India's C-DAC and UAE's G42, under India's AI Mission. The **MAITRI digital platform** operationalised the Virtual Trade Corridor, integrating customs and port systems for faster cargo movement. Cooperation extends to space, fintech, and critical minerals.

India-Saudi Arabia: An MoU (March 2026) on **electrical interconnections, green hydrogen, and supply chains**. A Technology & Information Technology Joint Working Group operates under the Strategic Partnership Council.

F] Multilateral and Minilateral Frameworks

I2U2 (India, Israel, UAE, USA): Operationalised a **food security corridor**, leveraging Gulf capital and Israeli agritech to transform Indian agricultural output into a reliable supply base for West Asia. Also working on green energy and trade corridors. The grouping represents a shift toward **geoeconomic minilateralism** rather than

military alliances.

GCC-India Framework: The FTA negotiations represent the most ambitious institutional engagement with the GCC bloc. GCC cumulative FDI in India exceeded **\$31.14 billion** as of September 2025.

BRICS: Iran joined BRICS in 2023 (membership effective January 2024); Saudi Arabia and the UAE were invited to join. The grouping provides a platform for India to engage key West Asian states outside Western frameworks.

G20: The IMEEC launch at India's 2023 G20 Presidency, and the AU's G20 membership, reflect India's vision for integrating West Asia into global governance architectures.

4] KEY BILATERAL RELATIONSHIPS

A] India-UAE

India-UAE: Comprehensive Strategic Partnership

Trade Drivers: CEPA (2022) and Bilateral Investment Treaty (2024) pushing bilateral trade towards the \$200 billion target by 2032.

PM Modi's May 2026 Abu Dhabi Visit – Agreements Signed:

Energy: ADNOC-ISPRL strategic petroleum reserves expansion, long-term LPG supply.

Defence: Framework for Strategic Defence Partnership.

Maritime: Ship repair cluster between Cochin Shipyard and Drydocks World.

AI & Supercomputing: C-DAC-G42 supercomputing cluster.

Investment: \$5 billion committed by UAE entities.

Digital & Trade Corridors: MAITRI digital platform and Virtual Trade Corridor operationalised.

UAE's Position: Among India's top three trading partners, vital source of FDI and energy security.

B] India–Saudi Arabia

The **Strategic Partnership Council** (established 2019), co-chaired by PM Modi and Crown Prince MBS, anchors the relationship. Key developments include: Saudi Arabia's **\$100 billion investment pledge**; agreement to jointly build two oil refineries in India; the MoU on **electrical interconnections, green hydrogen, and supply chains** (March 2026); NSA Doval's April 2026 visit focusing on Strait of Hormuz stability, intelligence sharing, and economic ties; and expansion of the SPC to include dedicated Ministerial Committees on Defence and on Tourism & Culture. Saudi Arabia is India's third-largest energy supplier and hosts **2.75 million Indians**.

C] India–Israel

Elevated to a **Special Strategic Partnership** during PM Modi's February 2026 visit — the first by an Indian PM in nine years. **17**

agreements signed across AI, critical technologies, trade, defence, civil nuclear energy, space, and agriculture. Key outcomes: establishment of a "**confidentiality framework**" for access to restricted Israeli defence systems; potential integration of Iron Dome elements into India's **Sudarshan Chakra** air defence shield; agreement to fast-track the **India-Israel FTA**; expansion of agricultural Centres of Excellence to **100**; and UPI enablement in Israel. India is Israel's second-largest trading partner in Asia and the largest buyer of its defence equipment. Modi expressed support for the **US-backed Gaza Peace Initiative**, while firmly condemning terrorism in all forms.

D] India-Iran

The relationship is defined by the **Chabahar port project** and energy ties, both severely constrained by US sanctions. The sanctions waiver on Chabahar lapsed on **26 April 2026**, forcing India to suspend operations and consider transferring its stake. India briefly resumed Iranian crude imports under a 30-day US waiver (April 2026), but the waiver was not renewed. Iran's Foreign Minister urged India to continue developing Chabahar and reaffirmed readiness to supply oil. Iran also assured India of the safety of commerce through the Strait of Hormuz. Bilateral engagement continues through multilateral forums like BRICS.

E] India-Qatar

Qatar is a critical LNG supplier, with the **20-year, 7.5 MMTPA LNG contract (2024)** anchoring India's gas security through 2048. Qatar

Hosts ~0.8 million Indians. High-level visits, including PM Modi's, and bilateral defence exercises sustain a pragmatic, energy-focused relationship.

F] India–Oman

Oman is India's **oldest strategic partner in the Gulf**, with defence cooperation including Indian naval access to **Duqm port**.

The **India-Oman FTA** was approved by the Indian Cabinet in December 2025. Oman hosts 0.7 million Indians.

5] CONTENTIOUS ISSUES AND CHALLENGES

A] Regional Instability and the 2025–2026 War

The US-Israeli military campaign against Iran, the Strait of Hormuz blockade, and the broader regional conflagration have disrupted energy flows, supply chains, and connectivity projects. India's de-hyphenation strategy — maintaining simultaneous strong ties with Israel, the Arab Gulf states, and Iran — is under severe pressure.

B] Chabahar and Iran Sanctions

The lapse of the US sanctions waiver on Chabahar (April 2026) has forced India to suspend its most significant connectivity investment in the region, damaging its strategic autonomy and Central Asia access. The project's future is uncertain.

C] Strait of Hormuz Vulnerability

The closure since February 2026 has exposed India's acute dependence on a single maritime chokepoint, accelerating the

urgency of IMEEC and energy diversification.

D] Geopolitical Cross-Pressures

India must balance its strategic partnership with Israel (defence, technology, counter-terrorism) against its deep economic and energy ties with the Arab Gulf states and its historical support for the Palestinian cause. The Israel-Hamas war (2023–2025) and the Iran conflict (2026) have sharpened these cross-pressures.

E] Trade Deficit and FTA Challenges

India runs a large trade deficit with the GCC (imports of 121.68 *billion* vs. *export of* 56.87 billion in FY25). The GCC FTA negotiations must address sensitive issues including tariff liberalisation, services, and labour mobility. India's trade deficit with Saudi Arabia alone was over \$18 billion in FY25.

F] Labour and Migrant Welfare

Despite robust welfare mechanisms, Indian workers in the Gulf face issues including contract violations, poor working conditions, delayed wages, and limited legal recourse. The vulnerability of low-skilled workers remains a persistent concern.

G] Competing External Powers

China's growing footprint in West Asia — via the BRI, energy deals, the Saudi-Iran normalisation (2023), and strategic partnerships — challenges India's influence. Russia, Turkey, and Pakistan are also active in the region.

6] SIGNIFICANCE FOR INDIA

- **Energy Security:** The Gulf supplies over 60% of India's crude and nearly all its LNG, making it irreplaceable in the short to medium term.
- **Remittances:** The region is India's largest remittance source, supporting its current account and household welfare.
- **Trade and Investment:** The GCC is India's largest trading partner bloc; sovereign wealth funds from the UAE and Saudi Arabia are critical investors.
- **Strategic Balance:** Strong ties with key West Asian states provide India a counterweight to China's regional influence and to Pakistan's diplomatic positioning.
- **Connectivity:** IMEEC and Chabahar (if revived) are vital corridors linking India to Europe and Central Asia.
- **Defence:** Israel and select Gulf states are increasingly important defence and technology partners.
- **Global South Leadership:** Engagement with West Asia reinforces India's role as a voice of the developing world and a bridge between North and South.

Unit - 27

INDIA-ISRAEL RELATIONS



INDIA-ISRAEL RELATIONS

Partners in Security, Innovation & Shared Prosperity



Special Strategic Partnership
(Elevated Feb 2026)



Defence & Security Cooperation



Technology & Innovation Bridge



Agriculture & Water Solutions



People-to-People & Cultural Ties

BILATERAL TRADE (GOODS + SERVICES INCLUDING DIAMONDS): ~ \$51 BILLION | ISRAEL: INDIA'S 2ND LARGEST TRADING PARTNER IN ASIA

1 INTRODUCTION



- Shared democratic values, convergent strategic outlook and strong people-to-people bonds.
- Deep cooperation in defence, technology, agriculture, water, innovation and trade.
- Over 17 agreements signed during PM Modi's February 2026 visit.
- Relationship elevated to a Special Strategic Partnership in Feb 2026.

2 EVOLUTION OF INDIA-ISRAEL TIES

A. 1947-1992 DISTANT BUT NOT HOSTILE



- Recognised Israel in 1950.
- Full diplomatic relations established in Jan 1992.
- Covert cooperation in defence & intelligence (1962, 1971 wars).

B. 1992-2014 NORMALISATION & STRATEGIC PARTNERSHIP



- Surge in defence, trade and agri cooperation.
- 2008: Centre of Excellence in Agriculture.
- 2012: PM Manmohan Singh visit to Israel.
- Strategic Partnership in 2017.

C. 2014-2026 OPEN EMBRACE & SPECIAL PARTNERSHIP



- PM Modi visit (July 2017) – first ever.
- Defence, tech & innovation ties expand.
- FTA negotiations launched Nov 2025.
- PM Modi visit (Feb 2026) – relationship elevated to Special Strategic Partnership.

3 AREAS OF COOPERATION

A. DEFENCE & SECURITY



- Up to 34% of Israel's arms exports to India.
- Key systems: Phalcon AWACS, Heron/Harop drones, Barak-8 missiles, MRSAM/LRSAM.
- Confidentiality framework (2026) for advanced systems.
- Joint exercises: 'Blue Flag', counter-terrorism, cyber.

B. AGRICULTURE



- 32 Centres of Excellence across India.
- 2026 plan: Expand to 100 CoEs & create 'Villages of Excellence'.
- Focus: Horticulture, dairy, micro-irrigation, post-harvest management.

C. TECHNOLOGY, AI & INNOVATION



- 17 agreements (Feb 2026): AI, quantum, critical minerals, digital health, nuclear, space & more.
- UPI to be enabled in Israel.
- Joint AI & Quantum Task Force.
- I4F fund supports joint R&D and start-ups.

D. TRADE & INVESTMENT



- Bilateral trade ~ \$5 billion (2023-24).
- India's 2nd largest trading partner in Asia.
- FTA concluded in early 2026 – most ambitious trade deal India has signed.

E. WATER, NUCLEAR & SPACE



- Desalination, wastewater & aquifer management.
- Explore cooperation in civil nuclear energy (2026).
- ISRO & Israel Space Agency collaborate on satellites & joint missions.

F. DIASPORA & CULTURAL TIES



- ~85,000-100,000 Indian Jewish diaspora.
- Celebrations of Yoga, Bollywood & Indian festivals across Israel.

G. CONNECTIVITY & MULTILATERAL COOPERATION



EU-India Connectivity Partnership & projects in Africa, Central Asia, and Indian Ocean Region.



Active cooperation in Indo-Pacific, maritime security, counter-terrorism & peacekeeping.



Coordination in G20, UN, ISA, CDRI & global forums for climate, development & reform.

4 RECENT DEVELOPMENTS (2021-2026)

Date	Event	Significance
May 2021	Leaders' Meeting (Porto)	Launched Connectivity Partnership & FTA talks.
Feb 2023	Trade & Technology Council Launched	First such council EU has with any partner.
April 2022 & Jan 2025	Von der Leyen Visits India	Deepened climate, digital & strategic ties.
July 2022	PM Modi's Visit to Berlin	Strengthened defence, trade & investment cooperation.
Nov 2025	FTA Negotiations Launched	First round of talks held Feb 2026.
Feb 2026	PM Modi's Visit – Milestone	Relationship elevated to Special Strategic Partnership.

5 CONTENTIOUS ISSUES & CHALLENGES

- Palestinian Question**: India supports two-state solution while deepening ties with Israel – a delicate balancing act.
- West Asian Instability**: Iran-Israel tensions & regional conflicts require careful diplomatic navigation.
- Defence Dependence**: High reliance on Israeli systems; need for indigenous R&D and diversification.
- Trade Imbalance & FTA Hurdles**: Significant trade deficit; market access & non-tariff barriers remain challenges.
- Domestic & Regional Sensitivities**: Domestic opinion and Arab world reactions require sensitive diplomatic handling.

6 SIGNIFICANCE FOR INDIA

Area	Impact
Defence Edge	Access to cutting-edge military technology & intelligence.
Agricultural Transformation	Boosts food security, water use efficiency & farm incomes.
Technology and Innovation	Partnership in AI, quantum, cyber, space & start-up ecosystem.
Counter-Terrorism Expertise	Shared experience helps in intelligence, training & operational cooperation.
Water Security	Israeli solutions support Jal Shakti Abhiyan & water stressed regions.
Geopolitical Balance	Strengthens India's presence in West Asia & complements Gulf partnerships.

7 WAY FORWARD

Action	Goal
Implement the FTA swiftly & address non-tariff barriers.	Expand defence co-development and co-production.
Deepen tech partnership in AI, quantum & semiconductors.	Scale up green hydrogen, renewables & water tech.
Strengthen people-to-people ties & diaspora engagement.	

"From quiet support to a powerful partnership – India and Israel are building a future anchored in trust, innovation and shared security."

1] INTRODUCTION

India and Israel share a **Special Strategic Partnership** (elevated in February 2026 from the earlier Strategic Partnership of 2017). The relationship is built on deep defence and security cooperation, a rapidly expanding technology and innovation bridge, agricultural modernisation, and growing political convergence. The bilateral trade in goods and services (including diamonds) now stands at around **\$5 billion**, and Israel has become India's **second-largest trading partner in Asia**. The relationship has moved decisively from a whisper in the corridors to a vibrant, multi-dimensional partnership, with high-level visits, extensive MoUs, and a strong diaspora and cultural bond.

2] EVOLUTION OF INDIA-ISRAEL TIES

A] The Early Years (1947–1992): Distant but Not Hostile

India voted against the UN partition plan for Palestine in 1947 but recognised Israel in September 1950. Full diplomatic relations, however, were established only in **January 1992**, driven by the end of the Cold War, the Madrid Peace Process, and India's search for defence technology and counter-terrorism expertise. Before 1992, cooperation was limited and often clandestine; during the 1962 and 1971 wars, Israel provided critical arms and intelligence support.

B] Normalisation and the Strategic Partnership (1992–2014)

The 1990s saw a surge in defence procurement, with Israel supplying drones, radars, and missile technology. Agricultural cooperation began with the first Centre of Excellence in 2008. Despite

the warmth, high-level political visits were calibrated to avoid straining ties with the Arab world and the Palestinian cause. The 2012 state visit by PM Manmohan Singh was the first by an Indian PM in a decade.

C] The Modi Era (2014–Present): Open Embrace and Special Partnership

Prime Minister Modi's July 2017 visit to Israel — the first ever by an Indian PM — marked the de-hyphenation of the relationship from Palestine. The relationship was upgraded to a **Strategic Partnership** in 2017. PM Modi's February 2026 visit elevated it further to a **Special Strategic Partnership**, with 17 agreements signed and unprecedented defence and technology cooperation unveiled.

3] AREAS OF COOPERATION

A] Defence and Security

- Israel has been India's **most reliable and technologically advanced defence supplier**, accounting for up to **34% of Israel's total arms exports**.
- Key platforms include Phalcon AWACS, Heron and Harop drones, Barak-8 missiles, and the jointly developed **MRSAM/LRSAM** systems.
- The February 2026 visit established a **"confidentiality framework"** granting India access to restricted Israeli defence systems, with potential integration of Iron Dome elements into India's **Sudarshan Chakra** multi-layered air defence shield.

- The **Joint Working Group on Defence Cooperation** meets annually; joint exercises include the "Blue Flag" air exercise and counter-terrorism drills.

B] Agriculture

- The **Indo-Israel Agricultural Project (IIAP)** has established **32 Centres of Excellence (CoEs)** across India, demonstrating best practices in horticulture, dairy, and micro-irrigation.
- The 2026 Joint Statement committed to expanding the network to **100 CoEs** and creating "**Villages of Excellence**" — entire villages transformed through Israeli technology transfer, starting with ten locations.
- Post-harvest management, water conservation, and protected cultivation are key areas of cooperation.

C] Technology, AI, and Innovation

- **17 agreements** signed in February 2026 cover AI, quantum technologies, critical minerals, digital health, civil nuclear energy, and space.
- India's **UPI** will be enabled in Israel, and both sides agreed on a **Joint AI and Quantum Task Force**.
- The India-Israel Industrial R&D and Innovation Fund (**I4F**) supports joint projects in telecom, agriculture, and water.

D] Trade and Investment

- Bilateral goods trade was **3.62 billion in FY2025; including**

services and diamonds ,it is estimated at 5 billion. India is

Israel's second-largest Asian trading partner.

- **India-Israel FTA negotiations** were formally launched with a Terms of Reference in November 2025, and the first round of talks was held on **23–26 February 2026**.
- Key Indian exports: diesel, diamonds, machinery, electronics. Key imports: precious stones, chemicals, machinery, defence equipment.
- Israeli investment in India is concentrated in water technology, real estate, energy, and start-ups, with over 300 Israeli companies active in India.

E] Water, Civil Nuclear, and Space

- **Water cooperation:** India and Israel collaborate on desalination, wastewater treatment, and aquifer management. Israeli company IDE Technologies is building desalination plants in India.
- **Civil nuclear energy:** India and Israel agreed to explore cooperation in **civil nuclear energy** under the 2026 Joint Statement, a significant shift given the Nuclear Suppliers Group's sensitivities.
- **Space:** ISRO and the Israel Space Agency cooperate on satellite development, optical communication, and joint science missions.

F] Diaspora and Cultural Ties

- The Indian Jewish diaspora in Israel numbers

approximately **85,000–100,000**, primarily from the Bene Israel, Bnei Menashe, Cochin, and Baghdadi communities. They are well-integrated and serve as a cultural bridge.

- Popular yoga, Bollywood, and Indian festivals have generated immense soft power; the **International Day of Yoga** is celebrated across Israeli cities.

5] CONTENTIOUS ISSUES AND CHALLENGES

A] The Palestinian Question

India's traditional support for a sovereign Palestinian state coexists uneasily with deep ties to Israel. The 2026 Joint Statement reaffirmed support for a **two-state solution**, but India's de-hyphenation — engaging Israel openly while maintaining humanitarian aid to Palestine — is a constant balancing act.

B] West Asian Instability

The 2025–2026 Iran conflict and Israel's military operations place India in a delicate spot: maintaining good relations with both Israel and the Arab Gulf states (especially UAE, Saudi Arabia) while navigating Iran ties and Chabahar interests.

C] Defence Dependence and Diversification

Heavy reliance on Israeli defence technology (drones, missiles, electronic warfare) creates a dependence that India seeks to mitigate through indigenous R&D. The "confidentiality framework" could partially address this by enabling deeper co-production.

D] Trade Imbalance and FTA Hurdles

India's trade deficit with Israel is significant. Israeli agriculture and technology markets are partially protected, and non-tariff barriers

on Indian pharmaceuticals and services remain a challenge in FTA negotiations.

E] Domestic and Regional Sensitivities

Domestic Indian Muslim opinion and the broader Arab world

occasionally react adversely to overt India-Israel embrace, requiring careful diplomatic messaging.

6] SIGNIFICANCE FOR INDIA

- **Defence:** Israel is a critical source of advanced military technology, offering systems that no other partner provides without restrictions.
- **Agriculture:** Israeli expertise in desert farming, micro-irrigation, and high-yield horticulture directly supports India's food security and doubling farmers' income goals.
- **Technology:** A partner in AI, quantum, cyber, and space; Israel's start-up ecosystem offers a model for India's innovation economy.
- **Counter-Terrorism:** Shared experience of terrorism drives deep intelligence and operational cooperation.
- **Water Security:** Israeli technology is indispensable for India's Jal Shakti Abhiyan and water-stressed regions.
- **Geopolitical Balance:** Strong Israel ties complement India's Gulf engagement, reinforcing its West Asia footprint without subordination to any single actor.

Unit – 28

INDIA & THE NUCLEAR QUESTION

1] Introduction

India's nuclear journey began with its first test, Operation Smiling Buddha, in 1974, followed by Pokhran-II (Operation Shakti) in 1998, which declared India a nuclear-weapon state. Since then, India has crafted a distinctive nuclear persona: a responsible state with a doctrine of credible minimum deterrence and a declared No First Use (NFU) posture. This posture prioritises strategic restraint while ensuring a survivable retaliatory capability, earning India a measure of global legitimacy even as it remains outside the Non-Proliferation Treaty (NPT) framework. The 2008 Indo-US Civil Nuclear Deal was a pivotal moment, ending India's decades of nuclear trade isolation by granting it access to global nuclear technology and fuel markets without requiring it to sign the NPT.

2] India's Nuclear Doctrine

India's nuclear doctrine, formally articulated in January 2003, rests on two core pillars. The first is **No First Use (NFU) and Massive Retaliation**: India pledges never to use nuclear weapons first, reserving them solely for retaliation against a nuclear attack on Indian territory or forces anywhere, in which event the retaliation would be "massive" and designed to inflict

"unacceptable damage" on the adversary. India and China

remain the only two

nuclear-armed states with a declared NFU policy. The second is **Credible Minimum Deterrence (CMD)**, which calls for a nuclear arsenal that is survivable, effective, and sufficient to deter any adversary without entering a quantitative arms race. The doctrine emphasises maintaining a robust second-strike capability, particularly through sea-based platforms that can survive a first strike and retaliate.

- Under the doctrine, nuclear command authority rests exclusively with the Prime Minister, exercised through the Nuclear Command Authority (NCA) and its executive arm, the Strategic Forces Command (SFC). India also upholds a voluntary, unilateral moratorium on nuclear testing, a position maintained since 1998 despite not signing the Comprehensive Test-Ban Treaty (CTBT).

The Evolving NFU Debate

More than two decades after the doctrine was announced, a growing chorus is calling for its revision. The strategic environment has fundamentally changed: Pakistan's arsenal has grown from roughly 30–40 warheads in 2003 to an estimated 170 in 2026, while China's has expanded from around 200–250 to over 600, with projections of 1,000 by 2030. Moreover, China explicitly excluded India from its NFU ambit in 2024, reserving the right to use nuclear weapons first against non-P5 states, while Pakistan has never adopted a NFU policy and its leaders have made frequent nuclear threats against Indian cities. Critics

argue that NFU risks becoming a form of "unilateral disarmament" when adversaries openly reject restraint.

Proponents of the status quo, including many serving and retired diplomats, counter that the NFU doctrine has brought substantial strategic dividends. It has shaped India's global image as a responsible nuclear power, helped secure the 2008 NSG waiver, and prevented a destabilising arms race with both Pakistan and China; any shift would risk losing this diplomatic capital. In 2026, Defence Minister Rajnath Singh (and earlier, Manohar Parrikar) publicly questioned NFU, calling it "giving away strength" and arguing that unpredictability is an essential element of military strategy — but no formal change has been effected.

3] The Nuclear Triad

A nuclear triad — the ability to launch nuclear weapons from air, land, and sea — is essential to credible deterrence. India completed its operational triad in 2016 with the commissioning of INS Arihant and has since progressively strengthened each leg.

The **land-based leg** is built on the Agni series of ballistic missiles, with operational ranges from 700 km (Agni-1) to over 5,000 km (Agni-5), while longer-range variants such as Agni-6, potentially exceeding 10,000 km, are under development. The Prithvi series and newer Prahar missiles provide shorter-range options. India currently possesses an estimated 172 nuclear warheads, all under the Strategic Forces Command. The **air-**

based leg — the oldest and most established component of the triad — relies on nuclear-capable Jaguar, Mirage 2000, and Rafale combat aircraft, offering a flexible and visible deterrent.

The **sea-based leg** is the centrepiece of India's second-strike capability. Submarines can remain submerged and undetected for weeks, making them virtually immune to a first-strike knockout.

India currently operates three indigenously developed nuclear-powered ballistic missile submarines (SSBNs). INS Arihant, commissioned in August 2016, displaces roughly 6,000 tonnes and carries 12 K-15 missiles (750 km range) or 4 K-4 missiles (3,500 km) in four vertical launch tubes. INS Arighaat, commissioned in August 2024, has a similar displacement and armament configuration. INS Aridhaman, commissioned in April 2026, is larger — approximately 7,000 tonnes with eight launch tubes — and can carry either 8 K-4 or 24 K-15 missiles. With the induction of INS Aridhaman, India moved closer to maintaining Continuous At-Sea Deterrence (CASD) — the ability to keep at least one SSBN on deterrent patrol at all times. A three-boat fleet is the minimum required for CASD (one on patrol, one in transit or maintenance, one in refit), though a fourth SSBN is considered essential for uninterrupted coverage. A fourth boat, likely designated S4* or S5, is already under development and is expected to be significantly larger and more capable.

4] Global Nuclear Architecture and India's Position

India's engagement with global nuclear governance is defined by its status as a nuclear-weapon state outside the formal NPT framework. India has consistently refused to sign the NPT, viewing it as discriminatory: it divides the world into nuclear "haves" (the five NPT-recognised weapon states) and "have-nots," with no provision for later nuclear-armed nations to join as recognised weapon states. India maintains that its non-proliferation record is "second to none."

On the **Comprehensive Test-Ban Treaty (CTBT)**, India has not signed, arguing that it is discriminatory absent a broader, time-bound disarmament framework. Nevertheless, India has maintained a voluntary, unilateral moratorium on testing since 1998 and has said it will not be the first to resume. India has refused offers of CTBTO observer status and access to the International Monitoring System data, concerned that any engagement might be construed as a step toward eventual ratification, which would legally constrain its testing options. Debate continues on whether shifts in the US nuclear posture might create pressure or an opening for India to resume testing, though official policy remains unchanged.

India supports negotiating a universal, non-discriminatory, and verifiable **Fissile Material Cut-off Treaty (FMCT)** in the Conference on Disarmament, but insists that the treaty must address existing stockpiles, not merely cap future production.

India's own fissile material stocks — weapons-grade plutonium and highly enriched uranium — are substantial and growing; a treaty that freezes current asymmetries would lock in India's disadvantage vis-à-vis China's larger arsenal.

India's bid for **Nuclear Suppliers Group (NSG)** membership, submitted in 2016, remains stalled. The US, France, Russia, the UK, and most NSG members support India's entry, but China opposes it on the grounds that India is not an NPT signatory. Since the NSG operates by consensus, China's objection has effectively blocked India's bid for a decade. India continues to engage NSG members bilaterally to build support.

India remains a staunch advocate of universal, non-discriminatory, and verifiable **nuclear disarmament**. At the UN, it has repeatedly called for the complete elimination of nuclear weapons — the only guarantee against nuclear war — and has proposed a Nuclear Weapons Convention modelled on the Chemical Weapons Convention. At the 2025 Conference on Disarmament, India reiterated that "nuclear disarmament must remain the highest global priority."

5] The Indo-US Civil Nuclear Deal (2008)

The 2008 deal was transformative, ending three decades of nuclear trade isolation imposed after the 1974 test. India separated its civilian and military nuclear facilities, placing 35 civilian reactors under IAEA safeguards in return for access to global nuclear fuel and technology without signing the NPT, and the NSG granted a one-time waiver in September 2008. In

January 2025, the US removed three Indian entities — BARC, IGCAR, and IREL — from its restricted Entity List, further facilitating nuclear technology cooperation. India has set an ambitious target of 100 GW nuclear capacity by 2047. The deal's full potential, however, remains unrealised due to India's Civil Liability for Nuclear Damage Act (2010), which places liability on suppliers rather than operators, deterring major vendors like Westinghouse and Areva from proceeding with reactor contracts. Discussions on legal mechanisms to address this are ongoing, though progress has been slow.

6] Significance for India

A credible nuclear deterrent ensures India's freedom of action in foreign and security policy, preventing nuclear blackmail. The NFU posture and CMD doctrine have provided a stable deterrence framework in South Asia for over two decades, while India's responsible nuclear behaviour — adherence to a unilateral testing moratorium, strong export controls, and a declared NFU — has earned it a unique legitimacy among nuclear-weapon states, facilitating civil nuclear cooperation with multiple nations. India's advocacy of universal disarmament reinforces its Global South leadership credentials, even as its expanding SSBN fleet provides the assured retaliatory capability that is the cornerstone of credible deterrence against nuclear coercion from both Pakistan and China.

Unit - 29

INDIA AND THE UNITED NATIONS

India is a founding member of the United Nations, having signed the UN Charter in 1945 as one of the original 51 member states. It has consistently been the largest cumulative troop contributor to UN peacekeeping, deploying over 2,60,000 personnel across more than 49 missions, with a sustained presence in Africa and West Asia. India has long demanded the expansion of permanent seats in the UN Security Council to reflect contemporary geopolitical realities and seeks a permanent seat for itself, a claim endorsed by the US, UK, France, and Russia, though no concrete progress has been made.

As a co-founder of the Non-Aligned Movement in 1961, India now champions the "Voice of the Global South" initiative. On climate and sustainable development, it advocates climate justice and the principle of Common But Differentiated Responsibilities (CBDR), while leading the International Solar Alliance and the Coalition for Disaster Resilient

Infrastructure. In counter-terrorism, India has consistently pushed for a Comprehensive Convention on International Terrorism, which has remained stalled since 1996. India used its G20 Presidency in 2023 to press for UNSC and Bretton Woods reforms and successfully spearheaded the African Union's permanent G20 membership. It has been elected multiple times to key UN bodies including ECOSOC, the Human Rights Council, and the Security Council, most recently serving

a term in 2021-22. In recent years, India has hosted the UNGA President, championed digital public infrastructure and the International Year of Millets (2023), and engaged in vaccine diplomacy through COVAX. Throughout, India has underscored the UN's inability to act decisively on terrorism, pandemics, and climate finance, repeatedly calling for a "reformed multilateralism."

Unit - 30

RECENT DEVELOPMENTS IN INDIAN FOREIGN POLICY (2025-2026)

1] THE OVERARCHING CONTEXT: A TURBULENT PERIOD

After a turbulent 2025 marked by geopolitical shocks and policy surprises, India entered 2026 navigating diplomatic headwinds amid global power shifts and regional instability.- The year saw unprecedented strain in key relationships, a brief but significant border conflict with Pakistan, and a transformation in great-power dynamics, all while India sought to balance autonomy, alignment, and ambition with little room for missteps.

2] GREAT-POWER RELATIONSHIPS

A] India-United States: Rupture and Reset

The India-US relationship witnessed its most severe stress in decades during 2025. In August 2025, the Trump administration imposed **50% tariffs** on Indian goods — the highest applied on any US partner — alongside tightened visa scrutiny affecting the Indian diaspora.- This triggered a "crisis of trust" between the two countries and slowed momentum within the Quad partnership, according to a US Senate Foreign Relations Committee report.

However, the relationship began stabilising towards year-end. A cautious recovery emerged, with both sides looking ahead to a potentially more productive 2026. Key developments included:

October 2025: The two countries signed a third 10-year defense framework agreement, described by the Pentagon as "the most ambitious and wide-ranging document yet." Foreign Military Sales to India exceeded \$25 billion since 2008

- **February 2026:** The US lifted the 25% tariff on Indian products, restoring normal tariff rates. An **interim trade framework** was unveiled to lower tariffs, reshape energy ties, and deepen economic cooperation.
 - India agreed to purchase substantial quantities of US energy (oil, gas, coking coal) as part of the understanding.

B] India-China: Managed Coexistence and Thaw

India-China relations saw a marked improvement during 2025, described as a "progressive thaw" after years of strain following the Galwan clash.

Key milestones included:

- **October 2025:** India and China agreed to resume direct flights after a five-year freeze.
 - **December 2025:** India freed up business visas for Chinese professionals to address technician scarcity at factory floors that cost output worth billions.
 - **April 2026:** Chinese Foreign Minister Wang Yi and Indian NSA Ajit Doval met in Tianjin, agreeing to reopen border trade routes and revive military confidence-building mechanisms.
 - **May 2026:** India and China agreed to resume direct flight connectivity and set up a working group on border management to maintain peace.
 - Wang Yi described ties as being on a "correct path," noting shared interests far outweigh differences.

Analysts characterise this as a return to "managed coexistence," with both sides walling off border disputes from expanding cooperation on trade, security, and multilateral diplomacy.

C] India–Russia: Energy Anchor Amid Geopolitical Pressure

Russia remained India's top oil supplier, with imports reaching an **all-time high of 2.3 million barrels per day** in the first half of May 2026.

However, the relationship faced new pressures:

- The **US waiver on Russian crude purchases was allowed to expire** in May 2026, though Indian refiners were expected to weather the disruption thanks to weaker demand and available barrels from the US and West Asia.
- India drew a "red line" on Russian oil, refusing to bow to US pressure. EAM Jaishankar described Russia as India's "foremost partner in civil nuclear energy."
- In February 2026, India agreed to partially shift from Russian to US and Venezuelan crude as part of the trade deal with Washington.

3] WEST ASIA: THE IRAN CRISIS AND STRATEGIC BALANCING

The **US-Israeli military strikes on Iran** beginning in February-March 2026 and the consequent **Strait of Hormuz blockade** posed the most severe test for India's multi-alignment policy in West Asia.

India urged maximum restraint and respect for sovereignty, focusing on de-escalation, protecting its citizens, and safeguarding economic interests.-

- India flagged grave concerns over the crisis's impact on energy supplies and maritime stability, urging BRICS nations to develop "practical ways" to navigate geopolitical upheavals and unilateral sanctions.

- PM Modi, during his February 2026 Israel visit, affirmed that peace and stability in West Asia are "directly linked to India's security interests."
- The **2nd India-Arab Foreign Ministers' Meeting** (January 2026) addressed the comprehensive plan to end the Gaza conflict.

Analysts noted that India's balancing act was tested, with the risk that its West Asia policy could increasingly be viewed not as multi-alignment but as a gradual shift towards one camp.

Neighbourhood First Policy: Shifting Dynamics

The year 2025 brought subtle but significant shifts in India's ties with its South Asian neighbours. India consolidated its relationships with the Maldives and Sri Lanka, while Bangladesh — a cornerstone of the Neighbourhood First policy — saw internal political churn and emerging leadership dynamics introduce fresh variables. The Union Budget reflected these recalibrations, raising development assistance for Bhutan, Nepal, Sri Lanka, and Afghanistan, while reducing allocations for Bangladesh, the Maldives, and Myanmar. In May 2025, a brief four-day border conflict with Pakistan further heightened regional tensions and complicated India-US ties. Strategic observers called for a "reboot" of the policy, arguing that India should act as an "elder brother" rather than a "big brother" in the region.

5] MULTILATERAL AND MINILATERAL ENGAGEMENT

A] Quad: From Strategic Signalling to Embedded Functionalism

The Quad faced headwinds during 2025–2026 as US tariffs dampened momentum and India could not convene the long-anticipated leaders' meeting. Even so, the grouping continued to deliver functional cooperation in the Indo-Pacific, notably in security and technology. More significantly, discussions gained ground on endowing the Quad with a clearer military dimension, signalling a potential evolution from loose concert to operational anchor.

B] BRICS: India's Chairmanship (2026)

India assumed the BRICS chairmanship in 2026, with the summit scheduled later in the year. In a positive gesture reflecting the improving bilateral climate, China endorsed India's chairmanship and India reciprocated by supporting China's chairmanship in 2027. External Affairs Minister Jaishankar underscored that an increasingly multipolar order demands stronger cooperation through BRICS, the SCO, the G20, and the United Nations.

C] G20 and SCO

India continued to treat the G20 and the SCO as vital platforms for shaping the global agenda. The SCO, in particular, served as a channel for engaging with China on regional security and economic issues while safeguarding India's national interests.

6] EUROPE AND THE INDO-PACIFIC: STRATEGIC DEEPENING

A] India–EU Free Trade Agreement

January 2026 saw India and the European Union conclude a landmark free trade agreement. Hailed by Prime Minister Modi as the “mother of all deals,” the FTA opened a new chapter in India–EU economic integration.

B] Prime Minister Modi’s Five-Nation Tour (May 2026)

In May 2026, PM Modi undertook a six-day diplomatic tour spanning the UAE, Netherlands, Sweden, Norway, and Italy. The visit centred on stabilising energy security, expanding trade and investment, boosting defence manufacturing, accelerating clean energy and innovation partnerships, and advancing the India–Middle East–Europe Economic Corridor (IMEEC). A standout outcome was the elevation of India–Italy ties to a **Special Strategic Partnership**, building upon the Italy–India Joint Strategic Action Plan 2025-2029.

C] Third India-Nordic Summit

India further elevated its ties with the Nordic countries, leveraging the Trade and Economic Partnership Agreement (TEPA) with EFTA states — including Norway and Iceland — that had been in effect since 2025.

7] EMERGING THEMES AND DOCTRINAL SHIFTS

A] Strategic Autonomy 2.0: Multi-Alignment Under Pressure

The period rigorously tested India’s multi-alignment doctrine. The Iran conflict, US tariffs, and the ongoing Russia-Ukraine war forced difficult choices. India’s response remained anchored in de-escalation,

the protection of its citizens, and the safeguarding of its economic interests — resisting rigid alignment while preserving strategic flexibility.

B] Civilisational Foreign Policy

Strategic observers noted that India's civilisational foreign policy — defined by autonomy, a sense of exceptionalism, and a distinctive diplomatic identity — was being reshaped by the turbulence of 2025. Yet its foundational principles showed considerable resilience.

C] Energy Security as a Central Driver

The Iran conflict, the Strait of Hormuz blockade, and Russian oil dynamics elevated energy security into a central organising principle of Indian diplomacy. It drove the negotiation of trade deals, the forging of strategic partnerships, and the agenda of summit-level engagements.

Model Question & Answers

1. Question:

"The ongoing conflict in West Asia acts as a double-edged sword for the India-Middle East-Europe Economic Corridor (IMEC)—strengthening its underlying strategic logic while severely complicating its physical execution." In light of this statement, critically evaluate the structural vulnerabilities exposed by the war and suggest programmatic alternatives to salvage the corridor.

250 WORDS 15 MARKS

Answer

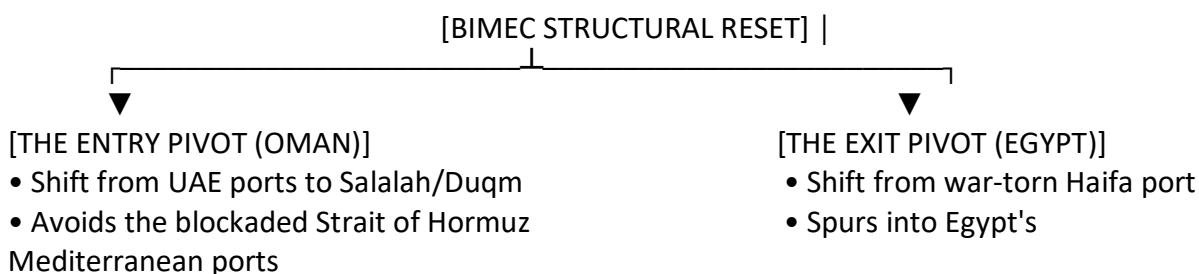
The Strait of Hormuz blockade has fundamentally transformed the India-Middle East-Europe Economic Corridor (IMEC) from a proactive commercial strategy into an urgent defensive necessity, even as it traps its physical execution in a geopolitical gridlock.

1. THE COMPELLING STRATEGIC LOGIC: WHY THE WAR STRENGTHENS IMEC

- **Exposing Chokepoint Fragility:** The conflict has weaponized international shipping lanes, with Iran's blockade of the Strait of Hormuz cutting off nearly 20 million barrels of crude oil per day (one-third of global supplies) and bringing global trade architectures to a standstill.
- **India's Acute Energy Vulnerability:** Relying on imports for 88% of its crude oil requirements (amounting to 1.8 billion barrels annually), India faces immediate economic shocks from Persian Gulf supply halts. This vulnerability reinforces the strategic logic of IMEC as an indispensable bypass route that avoids traditional conflict zones and chokepoints.
- **The Limits of Hard Power:** With over 240 American targets hit and more than half of the total inventory of Patriot and THAAD interceptors expended, the conflict has shattered the myth that raw military superiority alone can guarantee trade route security, making multi-modal alternative networks vital.

2. GEOPOLITICAL MISMATCHES: HOW THE WAR COMPLICATES EXECUTION

- **Direct Insecurity of Transit Hubs:** Key UAE ports designed as the corridor's eastern gateway (Jebel Ali and Fujairah) have faced repeated targeting, while the western maritime terminus at Haifa, Israel, remains trapped within an active theater of war.
- **Intra-Bloc Strategic Divergence:** The crisis has widened structural fault lines between key IMEC partners Saudi Arabia and the UAE. The UAE's April 2026 announcement to opt out of OPEC and its deep security coordination with Israel (including deploying the Iron Beam system) directly clash with Riyadh's posture. This divergence disrupts the smooth political coordination required to construct a seamless transnational rail link across the Arabian Peninsula.



Geographical Re-routing Via Oman: To circumvent the blockaded Strait of Hormuz entirely, the eastern maritime entry points of the corridor must be shifted away from the Persian Gulf to the Omani ports of Salalah, Duqm, and Muscat.

The Egyptian Transit Spur: Until the port of Haifa becomes a secure transit hub, the western leg can utilize a maritime spur passing through Egypt and terminating at its major Mediterranean ports. This capitalizes on Egypt's existing logistics ecosystem, the Suez Canal Economic Zone, and industrial zones specializing in green hydrogen.

Mini lateral Balancing Diplomacy: India must leverage its unique position of trust with both Riyadh and Abu Dhabi to mediate bilateral economic friction, while coordinating actively with European partners like Italy—reaffirming the Special Strategic Partnership established in May 2026—to sustain structural momentum.

2. **Question:** "The emergence of a younger, post-ideological political generation in Kathmandu is driving a transition in India-Nepal diplomacy, shifting from an inherited 'special relationship' toward a strict doctrine of sovereign parity." Critically evaluate the structural opportunities and friction points presented by this new phase, and suggest pragmatic pathways to establish a sustainable bilateral partnership.

Answer

The emergence of a future-focused political generation in Kathmandu has fundamentally rewritten the rules of engagement with New Delhi, replacing the historical sentimentality of an exceptional relationship with a strict demand for sovereign parity.

1. THE NEW DIPLOMATIC MATRIX: STRUCTURAL OPPORTUNITIES

- **Objective De-escalation of Border Rhetoric:** Prime Minister Balendra Shah's acknowledgment in Parliament that border encroachment is a mutual phenomenon rather than a one-sided Indian aggression provides a rare opening to resolve cartographic anomalies through factual, diplomatic channels.
- **Insulation of Economic Development:** By shifting focus from historical grievances, nepotism, and ideology toward socio-economic delivery, the new generation offers India a predictable partner to advance cross-border hydel-energy grids, infrastructure development, and institutional trade partnerships.
- **Pragmatic Foreign Policy Shifts:** The willingness of Kathmandu's leadership to look past irrational nationalism creates a baseline where bilateral relations are no longer held hostage to rigid protocol assertions or political posturing.

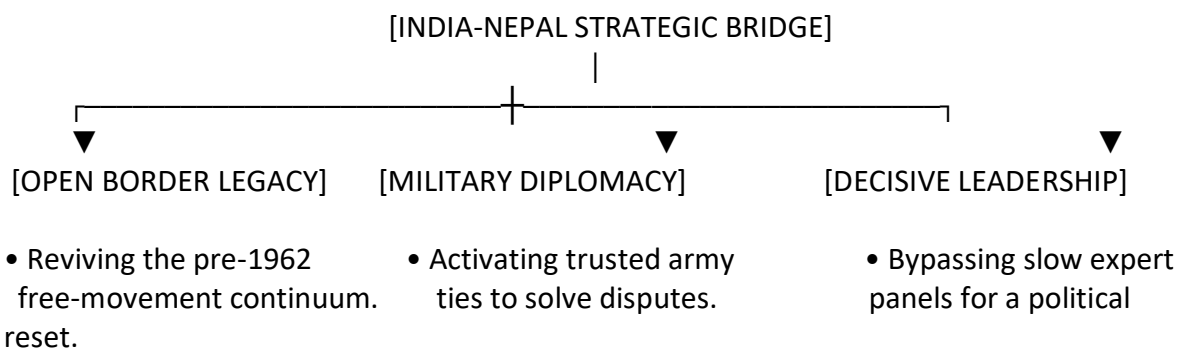
2. COMPLICATING FAULT LINES: PERSISTENT FRICTION POINTS

- **The Cartographic Stalemate:** The dispute over the Kalapani, Lipulekh, and Limpiyadhura tri-junction remains structurally gridlocked. Nepal's decision to print its version of the disputed

map on its currency notes clashes directly with India's reliance on inherited 1947 boundaries to secure its strategic security interests.

- **Transit and Religious Tourism Friction:** Kathmandu's formal objections to the resumption of India-China trade via the Lipulekh Pass, alongside its protests against the Kailash Mansarovar Yatra route, highlight sensitive anxieties regarding territorial sovereignty over critical Himalayan corridors.
- **Risks of Third-Party Entanglement:** The suggestion to include external actors like China or the United Kingdom in border data consultations introduces dangerous geopolitical cross-currents into New Delhi's immediate security perimeter, even though Beijing has advised sorting the matter bilaterally.
- **Strict Protocol Re-adjustments:** Incidents such as the postponement of the Indian Foreign Secretary's visit and the Prime Minister's disinclination to break protocol for foreign emissaries underscore that New Delhi will no longer enjoy the unhindered, easy access to top leadership it traditionally held.

3. PRAGMATIC PATHWAYS FOR A SUSTAINABLE PARTNERSHIP



- **Reviving the Open Border Continuum:** Both nations must draw inspiration from their centuries-old multifaceted linkages and the open border tradition that successfully managed the 1,700-km boundary before the 1,62 Sino-Indian war.
- **Utilizing the Military-to-Military Axis:** The deeply trusted, institutional relationship between the Indian and Nepalese Armies should be leveraged as a stabilizing diplomatic asset to design mutually acceptable, practical boundary adjustments on the ground.

- **Decisive Leader-to-Leader Intervention:** India must move past endless, slow-moving diplomat-and-expert commissions that allow bilateral irritants to fester. Relying on political self-confidence, New Delhi must engage directly with Kathmandu's leadership to build an enlightened, sustainable model partnership that detaches territorial management from deep cultural and economic ties.

3. Question:

The impending election of the 10th United Nations Secretary-General arrives at a time when the world body is caught in a pincer grip of institutional stasis, financial insolvency, and eroding operational legitimacy." Critically examine the structural crises paralyzing the UN system.

Answer

The selection process for the 10th United Nations Secretary-General highlights a fractured global order, where the incoming chief executive must transition from an administrative head into an existential rejuvenator of a gridlocked multilateral architecture.

1. POLITICAL GRIDLOCK AND VETO PARALYSIS

- **UNSC Operational Stasis:** The United Nations Security Council (UNSC) is structurally crippled by intense geopolitical friction and persistent vetoes deployed by its Permanent Members (P5).
- **Failure to Prevent War:** This institutional gridlock has directly undermined the UN's core foundational mandate—the prevention of war.
- **Inefficacy in Active Conflicts:** The system remains fundamentally paralyzed and unable to halt or de-escalate high-intensity conflagrations spanning Gaza, Lebanon, Sudan, Ukraine, and Iran.
- **Erosion of International Law:** Multiple ongoing conflicts and intensifying humanitarian crises have placed severe strain on the enforcement and authority of international humanitarian law.

2. SYSTEMIC FINANCIAL INSOLVENCY

- **Assessed Contributions Crisis:** The UN Secretariat faces an unprecedented fiscal crunch driven by a deliberate breakdown in its mandatory "assessed contributions" pipeline from member states.
- **Strategic Non-Payment:** Leading contributor nations are increasingly resorting to non-payment, partial payment, or systemic delays in paying their dues.
- **Operational Liquid Constrictions:** This tactical withholding of financial resources has triggered an unprecedented funding crisis, severely starving the world body of operational liquidity.

4. ERODING OPERATIONAL LEGITIMACY

- **Shrinking Peacekeeping Footprint:** The UN is facing severe friction in mobilizing both funds and troops for essential stabilization missions, as seen in complex security theaters like Haiti.
- **Host-Country Backlash:** Operational legitimacy has dropped sharply due to deteriorating relations with host governments, exemplified by the UN peacekeeping mission being forced to completely withdraw from Mali.
- **The Developmental Deficit:** The flagship Sustainable Development Goals (SDGs)—the universal markers of global developmental progress—are facing an acute shortfall, with a dismal 18% of targets currently on track to be met by the 2030 deadline.

5. : Question

"The open refusal of European NATO members to support the United States' military campaign against Iran signals a significant fracturing of the post-Cold War Western security architecture. Critically analyze the implications of this transatlantic rift on global security dynamics and India's strategic choices." (15 Marks / 250 Words)

Answer

1. DYNAMICS OF THE TRANSATLANTIC RIFT: THE COLLAPSE OF CONVERGENCE

- **Diverging Threat Perceptions:** While Washington views Iran as an existential regional adversary, European NATO capitals see a military escalation as a direct threat to continental energy flows, Mediterranean maritime lines, and refugee stability.
- **The Push for European Strategic Autonomy:** The refusal to join the US campaign marks a shift where European powers reject automatic bloc-discipline, refusing to expend their resources on secondary conflicts that do not align with their core defense priorities.

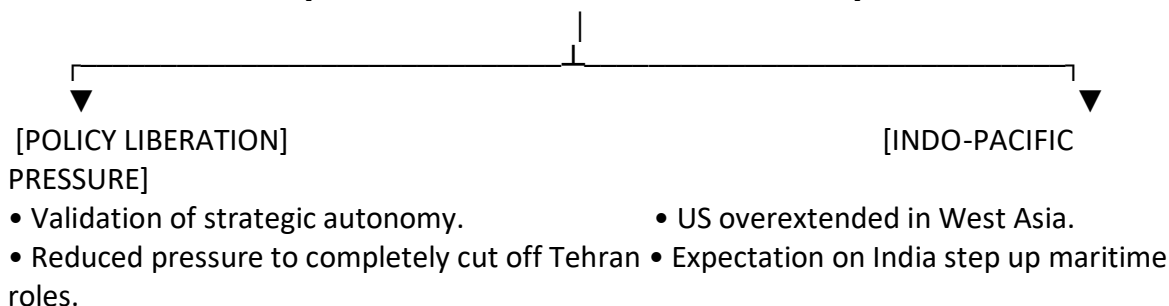
- **Erosion of Collective Deterrence:** Open strategic division within NATO weakens the credibility of Western hard-power projection, leading to a more fragmented global security architecture where middle powers can exploit differences between the US and its traditional allies.

2. MACRO SHIFTS IN GLOBAL GEOPOLITICS

- **Overextension of American Power:** Left to conduct operations without European support, the US military faces a severe strain on its strategic assets, rapidly drawing down its precision missile and interceptor inventories.
- **Empowerment of Alternative Axes:** The Transatlantic rift reduces the West's collective ability to enforce global economic sanctions, providing diplomatic and economic breathing room to the Russo-Chinese axis and regional powers like Iran.

3. STRATEGIC IMPLICATIONS FOR INDIA

[NATO FRAGMENTATION: INDIA'S MATRIX]



- **Validation of Multi-Alignment:** Internal divisions within NATO provide strong diplomatic justification for India's doctrine of strategic autonomy. When Western nations prioritize independent national interests over alliance mandates, New Delhi's policy of issue-based partnerships gains legitimacy.
- **Insulation from Secondary Sanctions:** A divided Western front prevents the formation of a unified global coalition to isolate Iran, allowing India more space to secure its critical connectivity projects, counter-terrorism intelligence channels, and regional energy interests.
- **The Indo-Pacific Maritime Tradeoff:** With the US military facing constraints in West Asia, Washington will likely demand that Indo-Pacific partners like India shoulder a greater share of the security burden in the Indian Ocean Region. New Delhi must balance these

expectations carefully to ensure it protects its immediate maritime trade boundaries without getting pulled into external conflicts.

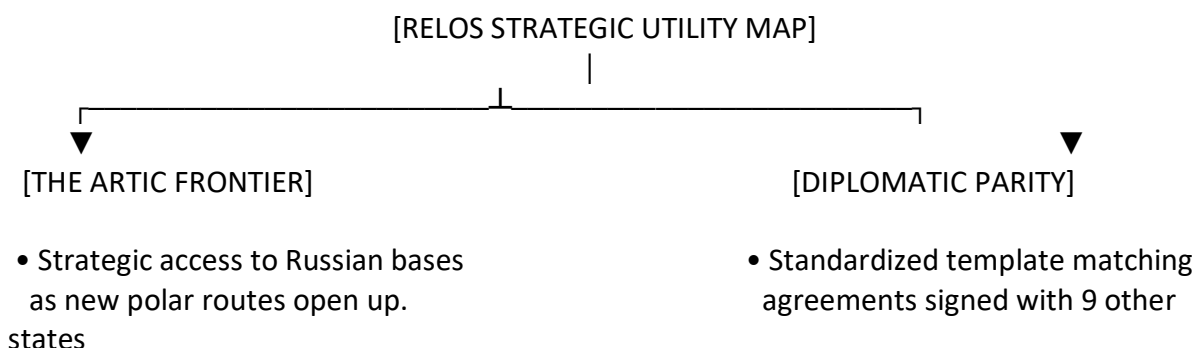
6. Question:

"Operationalization of the Reciprocal Exchange of Logistics Agreement (RELOS) between India and Russia signifies a deepening of bilateral defense ties, rather than the creation of a formal military alliance." Critically analyze this statement, highlighting the operational mandate and strategic significance of the agreement.

Answer

1. OPERATIONAL MANDATE: DEFENSE COOPERATION VS. MILITARY ALLIANCE

- **Administrative Facilitation:** RELOS is a foundational Logistics Support Agreement (LSA) designed to simplify administrative procedures and reduce bureaucracy during joint training, bilateral exercises, and Humanitarian Assistance and Disaster Relief (HADR) missions.
- **No Permanent Basing:** Contrary to social media misinformation claiming a formal military alliance or the permanent stationing of 3,000 Russian troops on Indian soil, the agreement explicitly bars the creation of foreign military bases or long-term troop deployments.
- **Reciprocal Access:** It defines strict procedures for the temporary use of each other's ports, airfields, and airspaces for refueling, repair, medical assistance, and the delivery of technical resources. The 3,000-troop limit merely represents a broad upper cap for visiting contingents during mutually agreed-upon exercises.



2. STRATEGIC SIGNIFICANCE FOR INDIA

- **The Arctic Frontier:** A crucial geopolitical benefit of RELOS is that it grants the Indian military reciprocal access to Russian facilities in the Arctic. This enables New Delhi to anchor its presence in a resource-rich zone as climate change opens new polar navigation routes.
- **Preserving Strategic Autonomy:** By operationalizing RELOS, India maintains institutional defense parity with Moscow, aligning it with the similar LSA templates New Delhi has already signed with nine other global partners, including the U.S. (LEMOA), the U.K., France, and Australia.

7. Question :

The India-U.K. Comprehensive Economic and Trade Agreement (CETA) represents a paradigm shift from traditional market-access pacts to a balanced framework of growth and structural protection." Elucidate.

ANSWER

The entry into force of the India-U.K. CETA on July 15, 2026, marks the most economically significant trade deal for the U.K. post-Brexit and a highly comprehensive framework for India, unlocking a projected £25.5 billion increase in annual bilateral trade.

1. Driving Growth Through Liberalization & Value Chains

- **Asymmetric Tariff Reductions:** The agreement removes duties on 99% of U.K. tariff lines for Indian products, boosting labor-intensive sectors like textiles, leather, and jewelry, while India opens up 90% of its tariff lines.
- **Decentralized Economic Gains:** The pact moves beyond major financial hubs, directly allowing small and medium enterprises (SMEs) in interior regions (e.g., Indore textiles or Birmingham auto parts) to bypass excessive bureaucracy and red tape.
- **Services and Institutional Integration:** CETA includes India's first-ever standalone values chapters on anti-corruption, gender, and development, backed by robust commitments to digital trade and services.

2. Structural Protections: Balancing Liberalization

- **Indian Defensive Shield:** To safeguard domestic rural and agricultural livelihood security, India has successfully maintained complete protections for sensitive sectors, specifically **dairy products and edible oils**.
- **British Defensive Shield:** In tandem, the U.K. retains strict domestic protections to shield its agricultural producers in critical areas like **sugar, milled rice, pork, chicken, and eggs**.

8. Question

The transition from regime-centric diplomacy to institutional interest-based cooperation is crucial for bridging the trust deficit in India-Bangladesh relations." Elucidate in the context of recent geopolitical developments.

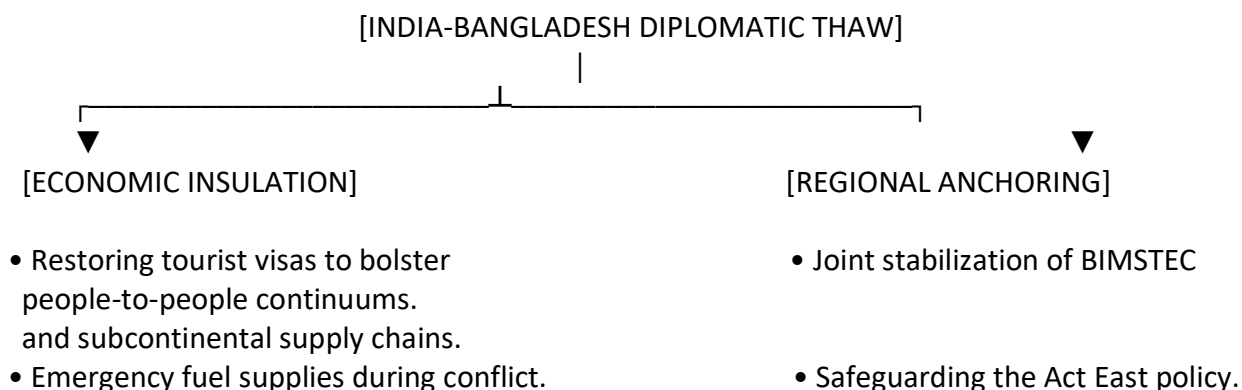
Answer

The stabilization of India-Bangladesh relations under Prime Minister Tarique Rahman, following the volatile 2024 interim transition, reflects New Delhi's operational shift from personalized political ties to institutionalized strategic interdependence.

1. Causes of the Recent Trust Deficit

- **The Regime Trap:** India was widely perceived in Dhaka as being deeply entangled with the previous Awami League administration, sparking skepticism regarding New Delhi's institutional neutrality during the regime change.
- **Economic Cross-Pressures:** Temporary disruptions, such as India's halting of transshipment facilities for Bangladeshi exports, initially compounded anxieties in Dhaka's trade ecosystem.

2. Rebuilding Ties via Structural Interdependence



- **Pragmatic Resource Cooperation:** India insulated bilateral ties from political rhetoric by maintaining critical fuel supplies to Dhaka during the peak of the West Asia transit crisis, demonstrating its reliability as a neighborhood anchor.
- **Institutional Resumption:** The restoration of tourist visas to pre-2024 levels and targeted ministerial meetings between EAM S. Jaishankar and Prime Minister Rahman successfully signals a shift back to long-term structural interests.
- **Strategic Multilateral Value:** Dhaka remains an indispensable pillar for India's **Neighbourhood First** policy, the **Act East** framework, and the stabilization of the **BIMSTEC** sub-regional energy and trade grids.

Glossary

- **Act East Policy (AEP):** A diplomatic framework launched in 2014 that transitioned India's engagement with Southeast Asia from purely economic ties to deep strategic, security, and institutional connectivity, establishing ASEAN as a cornerstone of India's Indo-Pacific strategy.
- **Actual Ground Position Line (AGPL):** The contested frontier that divides Indian and Pakistani military positions on the Siachen Glacier, which India refuses to demilitarize without formal delineation and signed cartographic verification.
- **Agreement on Trade, Commerce, and Transit:** The foundational bilateral economic pact that establishes a unique free-trade regime between India and Bhutan, providing the landlocked Himalayan nation with vital transit access to global markets via Indian territory.
- **Ahimsa and Satyagraha:** The moral-philosophical tenets of non-violence and "truth-force" derived from the Gandhian legacy that historically shaped India's global advocacy for disarmament, decolonization, and anti-apartheid movements.
- **AITIGA (ASEAN-India Trade in Goods Agreement) Review:** The ongoing diplomatic negotiations aimed at revamping the 2009 India-ASEAN free trade pact to rectify India's widening trade deficit and resolve structural imbalances like the inverted duty structure.
- **Alternative Global Architecture:** A network of non-Western multilateral institutions and financial frameworks (such as

BRICS+, SCO, NDB, and AIIB) utilized by emerging economies to promote a multipolar world order and decrease reliance on Western institutional conditionality.

- **Armed Coexistence:** The contemporary structural paradigm defining India-China relations, where verified disengagement and buffer-zone management have minimized immediate kinetic risks while forward military infrastructure remains highly institutionalized along the frontier.
- **ASEAN Centrality:** The institutional principle recognized by India that positions the Association of Southeast Asian Nations as the primary driver, convener, and driver of the security and economic architecture in the Indo-Pacific region.
- **Asymmetric Dependence:** A geopolitical reality where smaller, landlocked nations (such as Nepal and Bhutan) are geographically and economically dependent on a larger neighbor (India) for maritime transit, trade routes, and essential supplies.
- **BASIC Bloc:** A diplomatic coalition consisting of Brazil, South Africa, India, and China that acts collectively in international climate negotiations to defend the developmental rights of emerging economies against Western-imposed emission caps.
- **BBIN MVA (Bangladesh, Bhutan, India, Nepal Motor Vehicles Agreement):** A sub-regional connectivity framework designed to facilitate the seamless cross-border movement of passenger, personal, and cargo vehicular traffic across Eastern South Asia.
- **BECA (Basic Exchange and Cooperation Agreement):** The fourth foundational military pact signed between India and the

United States, permitting the real-time sharing of highly accurate geospatial intelligence, satellite data, and topographical maps.

- **Bilateralism Mandate:** The diplomatic principle established under the 1972 Simla Agreement that legally requires India and Pakistan to resolve all mutual disputes strictly through bilateral channels, explicitly excluding third-party or United Nations mediation.
- **BIMSTEC Charter:** The legal document that grants a formal institutional personality and binding operational structure to the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, transforming it from a "talk shop" to a "doing shop".
- **Blue Economy:** A maritime economic framework focused on the sustainable exploitation, conservation, and management of oceanic resources, critical sea lanes, and coastal infrastructures to drive national power and growth.
- **BrahMos Diplomacy:** India's contemporary shift toward becoming a regional security exporter through the strategic sale of advanced conventional defense hardware—such as supersonic cruise missiles—to Indo-Pacific partners like the Philippines and Vietnam.
- **Buddhist Circuit:** A cultural and spiritual corridor linking sacred Buddhist sites across India and its Himalayan neighbors, systematically leveraged by New Delhi as an institutional asset for civilizational soft power.

- **Cabinet Committee on Security (CCS):** The highest constitutional decision-making body in India for defense expenditures, intelligence coordination, and national security policy, chaired by the Prime Minister and comprising the ministers of External Affairs, Defence, Home, and Finance.
- **Calibrated Compellence:** A proactive foreign policy posture adopted by India that utilizes asymmetric diplomatic pressure, targeted kinetic multi-domain operations, and strategic leverage to compel an adversarial neighbor to dismantle its proxy terror infrastructure.
- **Cartographic Aggression:** The unilateral issuance of revised official maps, alternative place-names, and sovereign symbols by a state to aggressively assert territorial claims over areas legally administered by another nation.
- **CBDR-RC (Common but Differentiated Responsibilities and Respective Capabilities):** A foundational principle of international environmental law asserting that while all nations must mitigate climate change, developed economies must bear the historical financial and technological burden of industrialization.
- **CEPA (Comprehensive Economic Partnership Agreement):** An advanced, integrated free trade agreement covering goods, services, investments, and intellectual property rights, actively pursued by India with partners like the UAE and Bangladesh.
- **Chumbi Valley Wedge:** A hyper-sensitive Tibetan salient wedged between Sikkim and Bhutan that acts as a geopolitical dagger pointing directly at India's narrow Siliguri Corridor.
- **CNN Effect:** The phenomenon where real-time, 24-hour

media reportage and social media narratives create a sense of national urgency, actively forcing political executives to rapidly accelerate or modify traditional diplomatic protocols.

- **Colombo Security Conclave (CSC):** A regional maritime security architecture bringing together India, Sri Lanka, Maldives, and Mauritius to cooperate on maritime safety, counter-terrorism, and cyber security in the Indian Ocean.
- **Complex Interdependence:** A political theory positing that as nations become deeply tied through economic globalization, trade value chains, and transnational issues, the economic costs of military conflict become mutually prohibitive.
- **Comprehensive National Power (CNP):** The structural synthesis of a state's total capabilities—including economic scale, military deterrence, technological leadership, demographic attributes, and soft power—used to calculate its global hierarchy and leverage.
- **CPEC (China-Pakistan Economic Corridor):** A multi-billion-dollar flagship overland transit corridor of China's Belt and Road Initiative (BRI) running through Pakistan-occupied Kashmir (PoK), drawing sharp sovereignty objections from India.
- **De-hyphenation:** A diplomatic strategy where a nation's bilateral relationships with two historically conflicted states are conducted entirely on their independent merits, free from the strategic baggage of their mutual rivalry.
- **Democratic Peace Theory:** A liberal international relations theory suggesting that democratic states share structural values of transparency, accountability, and the rule of law that prevent them from engaging in military conflicts with one another.

- **Demographic Engineering:** The state-sponsored alteration of local population structures, settlement patterns, and physical infrastructure—such as China’s creation of dual-use *Xiaokang* villages—to cement territorial claims in disputed frontier zones.
- **Digital Public Infrastructure (DPI) Statecraft:** The export of open-source technological ecosystems (such as the "India Stack," UPI, and digital governance tools) to partner nations to establish a collaborative, transparent digital alternative to closed digital monopolies.
- **Doklam Legacy:** The strategic precedent established during the 2017 standoff, confirming that India will execute direct military interventions to defend the territorial integrity of its close allies and prevent unilateral changes to critical tri-junction zones.
- **Durand Line:** The contested, colonial-era boundary drawn to separate Afghanistan and British India (now Pakistan) that bisects the Pashtun ethnic homeland and remains formally unrecognized by successive regimes in Kabul.
- **ECTA (Economic Cooperation and Trade Agreement):** An early-harvest or interim trade agreement designed to lower tariffs on specific sectors, serving as a stepping stone toward a comprehensive free trade agreement.
- **Elite Capture:** A strategic practice where a foreign power utilizes targeted investments, commercial contracts, and political backing to cultivate and control a recipient nation's ruling political or business elite.
- **Endogenous Variables:** The internal, domestic factors of a state—such as history, civilizational legacy, political structure, economic scale, and domestic public opinion—that provide the

material and moral basis for its foreign policy.

- **Enrica-Lexie Case Standoff:** A major diplomatic dispute between India and the European Union caused by the legal and jurisdictional friction between federal Indian courts and sub-national state governments regarding the prosecution of foreign military personnel.
- **Estranged Democracies:** The historical Cold War paradigm defining India-US relations, where ideological asymmetry and conflicting alliance dynamics prevented close collaboration despite shared democratic values.
- **Exogenous Variables:** The external, systemic factors—such as the international power structure, regional geography, military deterrence dynamics, and global international law—that constrain or enable a nation's foreign policy choices.
- **External Balancing:** A realist strategy where a state forms strategic partnerships, plurilateral alignments, and defense coalitions with external powers to offset a severe power asymmetry caused by a rising regional adversary.
- **Farakka Barrage Dispute:** A historical, transboundary water irritant between India and Bangladesh centered on the diversion of Ganga river waters to flush the Hooghly port, which fueled regional anti-India political narratives.
- **Federalization of Foreign Policy:** The process where sub-national state governments within a federal system exercise para-diplomatic influence to shape or constrain the central government's sovereign external policies toward neighboring states.

- **Free Movement Regime (FMR):** A historical border-pass system along the un-fenced India-Myanmar frontier that permitted local hill tribes to cross up to 16 km without a visa, suspended by India to secure the frontier against narco-terrorism and insurgent networks.G
- **Gelephu Mindfulness City (GMC):** A planned, carbon-neutral Special Administrative Region (SAR) and economic hub in southern Bhutan, heavily backed by Indian rail, road, and industrial infrastructure to serve as a gateway to South Asian trade.
- **Golden Triangle:** A notorious transnational zone spanning Myanmar, Laos, and Thailand that serves as a global hub for illicit opium and synthetic drug production, directly impacting India's internal security via border trafficking.
- **Greater Malé Connectivity Project (GMCP):** A landmark \$500 million, 6.74 km bridge and causeway network funded by India to link the Maldivian capital with surrounding industrial islands, serving as an anchor of India's neighborhood developmental footprint.
- **Grey Zone Tactics:** Coercive, state-sponsored actions—including maritime militia deployments, infrastructure construction in disputed zones, and cyber operations—that deliberately hover below the threshold of open conventional military warfare.
- **Heartland Theory (Mackinder):** A classical geopolitical concept asserting that control over the vast terrestrial core of Eurasia

("the Heartland") provides the pivot for global dominance, emphasizing continental land power over maritime strength.

- **High-Impact Community Development Projects (HICDPs):** Small-scale, grant-based developmental assistances deployed by India directly to local communities in partner nations to produce immediate socio-economic benefits and cultivate grassroots goodwill.
- **Hydrological Shield:** The strategic deployment of large multipurpose storage dams on lower-riparian river stretches to absorb sudden upstream water releases or regulate seasonal scarcity, establishing physical and legal leverage over transboundary waters.
- **iCET (Initiative on Critical and Emerging Technology):** A strategic technology framework led by the National Security Advisors of India and the US, moving the bilateral relationship past mere buyers-seller commerce toward co-production in semiconductors, quantum computing, and AI.
- **India-Bangladesh Friendship Pipeline (IBFP):** A 131 km cross-border high-speed diesel pipeline connecting Numaligarh in Assam to Parbatipur in Bangladesh, serving as an energy lifeline that stabilizes sub-regional fuel security.
- **India-Myanmar-Thailand (IMT) Trilateral Highway:** A flagship land connectivity project designed to physically link Moreh in Manipur with Mae Sot in Thailand via Myanmar, serving as the terrestrial spine of India's Act East Policy.
- **Indo-Pacific Oceans Initiative (IPOI):** An open, non-military global initiative launched by India to manage the maritime

domain, focusing on pillars like maritime security, marine ecology, and disaster risk reduction.

- **Indus Waters Treaty (IWT) Abeyance:** The strategic transition where India holds technical data sharing and treaty clauses in abeyance to communicate that unilateral water-sharing privileges are strictly contingent on an environment free of cross-border terrorism.
- **Inverted Duty Structure:** An economic anomaly where raw materials or intermediate inputs face higher import tariffs than finished manufactured goods, severely penalizing domestic producers within free trade agreements.
- **Issue-based Alliances:** Flexible, pragmatic, and non-binding plurilateral groupings formed around specific functional sectors (such as the Quad for maritime security) that do not require a state to sacrifice its overall strategic autonomy.
- **Joint Intelligence Committee (JIC):** The apex analytical tier within India's National Security Council architecture tasked with synthesizing raw intelligence from all primary agencies to provide a single, vetted threat assessment to the executive.
- **Joint Working Group (JWG):** A specialized bilateral bureaucratic mechanism utilized by diplomats and military officials to manage active friction points—such as border patrolling rights or the Palk Strait fishermen dispute—while a permanent treaty is negotiated.
- **Kachchatheevu Island Agreements:** The 1974 and 1976 maritime boundary treaties where India recognized Sri Lankan sovereignty over a small island in the Palk Strait, subsequently

prohibiting Indian fishermen from fishing within Sri Lanka's Exclusive Economic Zone.

- **Kaladan Multi-Modal Transit Transport Project (KMTTP):** An ambitious sea-river-road connectivity project designed to bypass the narrow Siliguri Corridor by linking Kolkata port directly to Mizoram via Myanmar's Sittwe Port and the Kaladan River.
- **LEMOA (Logistics Exchange Memorandum of Agreement):** A foundational defense pact signed between India and the US that permits their respective militaries to access each other's bases, airfields, and ports for refueling, replenishment, and joint logistics support.
- **Line of Actual Control (LAC):** The non-continuous, un-demarcated 3,488 km frontier that separates Indian and Chinese administered territories, categorized into the Western, Middle, and Eastern sectors.
- **Lines of Credit (LoC):** Development assistance mechanisms where India extends flexible, long-term concessional loans to partner nations in the Global South to fund critical infrastructure and technical modernization.
- **Look East Policy (LEP):** Formulated in 1991, this policy marked India's initial geoeconomic pivot to reintegrate its opening economy with the rapid-growth "Tiger Economies" of Southeast Asia following the collapse of the Soviet Union.
- **Madhesi Constitutional Crisis:** The domestic political friction in Nepal centered on the Terai plains population, who argued

that the 2015 Constitution's provincial boundaries were gerrymandered to dilute their representation, leading to a severe cross-border economic blockade.

- **Maitri Diwas:** Celebrated on December 6th to commemorate India's historic role as one of the first nations to extend formal diplomatic recognition to a liberated Bangladesh in 1971.
- **Mandala Theory:** A classical political realist framework introduced in Kautilya's *Arthashastra*, asserting that a nation's immediate geographic neighbor is a natural adversary, while the neighbor's neighbor is a natural strategic ally.
- **Matarbari Port Hub:** A Japan-funded deep-sea port under development in Bangladesh, structurally integrated with India's land connectivity to act as a maritime value chain hub for the landlocked Northeast.
- **McMahon Line:** The international boundary drawn during the 1914 Shimla Convention to define the frontier between British India and Tibet, upheld by India along the natural Himalayan crest line but rejected by Beijing as an illegal imperial imposition.
- **Medog Mega-Dam:** A colossal 60 Gigawatt hydroelectric project constructed by China on the Great Bend of the Yarlung Tsangpo (Brahmaputra) river in Tibet, creating severe downstream ecological and strategic water risks for India.
- **Mekong-Ganga Cooperation (MGC):** An institutional initiative launched in 2000 linking India with five Mekong region nations (Cambodia, Laos, Myanmar, Thailand, Vietnam) to advance tourism, culture, education, and grassroots Quick Impact Projects.

- **Multi-alignment:** A sophisticated, 21st-century grand strategy where India concurrently engages with multiple competing global power centers across distinct plurilateral platforms (e.g., Quad and BRICS) to maximize its national security and growth.
- **National Security Advisory Board (NSAB):** The intellectual tier of India's National Security Council, composed of eminent retired diplomats, military officers, and academics tasked with strategic forecasting and horizon scanning.
- **Necklace of Diamonds:** India's strategic counter-encirclement doctrine in the Indian Ocean Region, focused on securing continuous naval access, radar networks, and forward air bases (such as Agaléga, Sabang, and Duqm) to encircle China's maritime nodes.
- **Neighborhood First Policy:** India's foundational diplomatic doctrine that prioritizes political, economic, connectivity, and humanitarian resource allocation to its immediate geographic neighbors to ensure regional stability and shared growth.
- **Net Security Provider:** A state that leverages its comprehensive naval architecture, maritime domain awareness networks, and humanitarian assistance capabilities to anchor and guarantee collective security across a regional maritime common.
- **Nimble Diplomacy:** A dynamic, non-dogmatic diplomatic framework articulated by Dr. S. Jaishankar that prioritizes rapid, issue-based alignments over rigid ideological non-alignment to protect sovereign national interests in a volatile

global system.

- **Non-Alignment 2.0:** A modern strategic report that conceptualized the modernization of India's foreign policy, arguing that strategic autonomy must be utilized as an explicit tool to maximize domestic economic space and build internal capabilities.
- **Operation All Clear (2003):** A historic military campaign where the Royal Bhutan Army actively deployed its own forces to dismantle anti-India insurgent camps established in its southern jungles, cementing deep bilateral strategic trust.
- **Operation Cactus (1988):** A swift Indian military intervention that deployed paratroopers to halt a mercenary-led coup against Maldivian President Gayoom, establishing India as the primary security guarantor for the island nation.
- **Operation Devi Shakti (2021):** The emergency evacuation and humanitarian mission launched by India to safely extract its citizens and foreign nationals from Kabul following the Taliban's return to power.
- **Operation SINDOOR (2025):** A sustained, multi-domain tri-service campaign utilizing indigenous swarm drone technology and precision long-range artillery to dismantle cross-border terror infrastructure, marking a permanent shift to proactive deterrence.
- **Palk Strait Fishermen Dispute:** A persistent, emotive bilateral irritant centered on Indian mechanized bottom trawlers crossing into Sri Lankan territorial waters, causing acute ecological degradation and destroying the livelihoods

of local Tamil communities.

- **Panchsheel:** The Five Principles of Peaceful Coexistence (mutual respect, non-aggression, non-interference, equality, and peaceful coexistence) signed in the 1954 Sino-Indian trade pact, which became a foundational moral pillar of early Indian diplomacy.
- **Para-diplomacy:** International outreach, global investor summits, and cross-border connectivity agreements conducted autonomously by sub-national state governments to meet localized development goals.
- **Polycentric Multipolarity:** A global power structure where international influence, economic capital, and strategic decision-making are diffused among several competing poles, ending both bipolar and unipolar concentration.
- **Praetorian State:** A country where the military-intelligence establishment ("the Deep State") exercises systemic, constitutional, and economic dominance over civilian political institutions, consistently prioritizing hard security narratives over development.
- **Prior Appropriation Principle:** A doctrine in international water law asserting that the riparians who first establish historic, beneficial "user rights" and physical infrastructure on a transboundary river hold priority during future water-sharing adjudications.
- **Production Linked Incentive (PLI) Schemes:** A defensive geoeconomic strategy deploying state fiscal subsidies across strategic industrial sectors (such as electronics and APIs) to

reduce critical supply chain dependencies on asymmetric adversaries.Q

- **Quick Impact Projects (QIPs):** Small-scale, highly visible, grant-based infrastructure assignments executed rapidly by India directly within local border provinces to provide immediate public utilities and counter debt-heavy development models.
- **Rally 'Round the Flag Effect:** A domestic political phenomenon where strong executive external actions or responses to a national security crisis trigger a sudden, massive surge in domestic public support and electoral capital.
- **RCEP (Regional Comprehensive Economic Partnership) Exit:** India's 2019 withdrawal from the world's largest trading bloc, driven by a strategic imperative to prevent the backdoor dumping of cheap Chinese manufactured goods via ASEAN value chains.
- **Research Vessel Moratorium:** A strategic diplomatic victory where India convinced regional maritime nations to implement strict temporary bans or rigid Standard Operating Procedures (SOPs) on foreign scientific spy ships monitoring the Indian Ocean seabed.
- **Radcliffe Line:** The international boundary line drawn in 1947 by colonial cartography to abruptly separate the newly independent nations of India and Pakistan.
- **Rules-Based International Order:** A commitment to a global system governed by international law, treaty compliance, transparency, and multilateral institutions (such as UNCLOS)

to prevent "might is right" unilateral power assertions.S

- **SAGAR Initiative (Security and Growth for All in the Region):** India's overarching maritime doctrine for the Indian Ocean, focused on deepening economic integration, upgrading coastal radar surveillance networks, and building collective disaster resilience.
- **Sakteng Claim (2020):** A sudden, cartographic boundary claim launched by China over a wildlife sanctuary in Eastern Bhutan, strategically calculated to pressure Thimphu into a land swap and challenge India's sovereignty over Arunachal Pradesh.
- **Salami-Slicing:** A continuous, incremental strategy that utilizes low-level aggressive maneuvers, demographic settlements, and small infrastructure builds to gradually alter the status quo along a contested border without triggering a full-scale conventional war.
- **Sea Power Doctrine (Mahan):** A classical geopolitical concept asserting that national greatness and global dominance are driven by the absolute control of the oceans, deep-water ports, and global maritime shipping choke points.
- **Strategic Autonomy:** The core, unchanging principle of Indian statecraft that preserves absolute freedom of decision-making and protects external choices from being dictated or compromised by any foreign power or rigid military alliance.
- **Strategic Decoupling:** The total suspension of bilateral trade, high-level diplomatic warmth, and institutional interaction with an adversarial state, isolating the bilateral relationship from a

nation's global growth trajectory.

- **String of Pearls:** A maritime containment strategy deployed by China to encircle India through a network of commercial footprints, dual-use deep-water ports, and listening posts stretching across the Indian Ocean Region.
- **Summit Diplomacy:** A modern diplomatic practice centered on direct, leader-to-leader interactions at major multilateral forums (such as the G20, Quad, or BRICS), bypassing traditional bureaucratic and ministerial delays.
- **13th Amendment (13A):** A legislative provision of the Sri Lankan Constitution born from the 1987 Indo-Sri Lanka Accord, designed to create Provincial Councils and ensure the devolution of land and police powers to the Tamil-majority North and East.
- **Thalweg Principle:** A standard principle of international boundary law dictating that a border running through a water channel must track the exact middle of its primary navigable deep-water stream, rather than its geographic banks.
- **Thoodhu (Attributes of an Envoy):** A classical ethical framework for statecraft detailed in the *Thirukkural*, prescribing that an ideal diplomat must possess unreserved personal integrity, deep analytical wisdom, and eloquent, persuasive delivery.
- **Three Mutuels:** The architectural rubric formalized by Dr. S. Jaishankar to guide sustainable long-term India-China relations, demanding unconditional adherence to: Mutual Respect, Mutual Sensitivity, and Mutual Interest.
- **Three-Step Roadmap:** An accelerated boundary negotiation framework signed between Bhutan and China, encompassing

map-definition, technical field surveys, and formal demarcation.

- **Track 1.5 / Track 2 Diplomacy:** Informal, non-governmental channels of communication involving retired diplomats, corporate leaders, and think-tank academics designed to test policy ideas and sustain dialogue when official Track 1 channels are frozen.
- **Trans-Himalayan Multi-Dimensional Connectivity Network:** A series of strategic road, rail, and fiber-optic infrastructures proposed under China's BRI to link Tibet directly with the Nepalese heartland, encroaching on India's continental security perimeter.
- **UNCLOS (United Nations Convention on the Law of the Sea):** The definitive international legal framework defining maritime zones, Exclusive Economic Zones (EEZs), and territorial waters, frequently leveraged by India to counter unilateral gray-zone maritime actions.
- **Unilateral Abeyance:** The tactical suspension or non-enforcement of long-standing bilateral treaties by a state to communicate that compliance cannot remain a one-sided obligation while security conditions deteriorate.
- **Vaccine Maitri:** A humanitarian soft-power initiative launched by India during the global pandemic, prioritizing the non-reciprocal delivery of local medical assets and vaccines to immediate neighbors and Global South nations.
- **Vibrant Villages Program:** India's strategic counter-measure focused on funding infrastructure, digital connectivity, and border population integration along its northern frontier to

counter demographic engineering by adversaries.

- **Vishwa Bandhu / Vishwa Mitra:** India's contemporary diplomatic self-image, projecting the nation as a responsible, pluralistic global friend and bridge-builder between the East-West and North-South divides.
- **Westphalian Sovereignty:** The traditional Western concept of statehood asserting that international politics is composed of exclusive sovereign nations with absolute, linear borders and total internal jurisdiction, often clashing with historically loose civilizational frontiers.
- **Wuhan Spirit / Mamallapuram Consensus:** The short-lived bilateral consensus generated during informal leader-to-leader summits (2018–2019), built on the premise that India and China represent mutual opportunities rather than systemic threats.
- **Xiaokang Villages:** Highly militarized, dual-use civilian relocation villages constructed by China directly inside disputed frontier zones to establish an irreversible physical and demographic presence along un-demarcated boundaries.

References and Suggested Readings

Part I: Fundamental Master Texts & Doctrines

- **Jaishankar, S.** – *Why Bharat Matters* (2024) & *The India Way: Strategies for an Uncertain World* (2020).

Exam Utility: Essential for mastering the contemporary doctrines of "Multi-alignment," "Nimble Diplomacy," and the transition from a balancing power to a "Leading Power".

- **Chanakya (Kautilya)** – *Arthashastra*.

Exam Utility: Indispensable for referencing classical Indian Realism, specifically the *Mandala Theory* and the *Saptanga Theory* in GS-2 and Essay papers.

- **Thiruvalluvar** – *Thirukkural*.

Exam Utility: The foundational reference for the ethical attributes of an envoy (*Thoodhu*), highly effective for value-added introductions in foreign policy answers.

Part II: Core Bilateral & Regional Strategic Analyses

- **Mohan, C. Raja** – *Samudra Manthan: Sino-Indian Rivalry in the Indo-Pacific* (2012).

Exam Utility: Outlines the structural maritime competition in the Indian Ocean Region (IOR), framing the "String of Pearls" vs. "Necklace of Diamonds" paradigms.

- **Pande, Aparna** – *From Chanakya to Modi: Evolution of India's Foreign Policy* (2017).

Exam Utility: Provides a comprehensive historical sweep explaining the domestic consensus behind Strategic Autonomy and Non-Alignment.

- **Saran, Shyam et al.** – *Non-Alignment 2.0: A Foreign and Strategic Policy for India in the Twenty-First Century* (2012 Institutional Report).

Exam Utility: Formulates the intellectual shift toward utilizing foreign policy as an explicit tool for maximizing domestic economic growth and resource security.

- **Cohen, Stephen P.** – *Shooting for a Century: The India-Pakistan Conundrum* (2013).

Exam Utility: The definitive text on the structural mechanics of the "Enduring Rivalry" and the "Paired Minority Conflict".

Part III: Neighborhood & Boundary Studies

- **Menon, Shivshankar** – *Choices: Inside the Making of India's Foreign Policy* (2016).

Exam Utility: Written by a former NSA, this text provides inside strategic clarity on critical diplomatic inflection points, such as the 2008 Civil Nuclear Deal and boundary management.

- **Muni, S.D.** – *India's Foreign Policy: The Democracy Dimension* (2009).

Exam Utility: Critical for analyzing India's relations with its immediate Himalayan and South Asian neighbors (Bhutan, Nepal, Sri Lanka) free from the "Big Brother" syndrome.

- **Sikri, Rajiv** – *Challenge and Strategy: Rethinking India's Foreign Policy* (2009).

Exam Utility: Excellent for understanding the psychological dimensions of asymmetric statecraft and terrestrial boundary sector dynamics.

Part IV: Global Power Paradigms & Geoeconomics

- **Pant, Harsh V.** – *Indian Foreign Policy: An Overview* (2018) & *US-India Relations: The Strategic Partnership takes Shape* (2013).

Exam Utility: Anchors the structural realist justification for India's deepening external balancing with the US and the West.

- **Kissinger, Henry** – *World Order* (2014).

Exam Utility: Offers an objective, external Western assessment of Indian Non-Alignment, validating it as a brilliant exercise in defensive realism.

- **Keohane, Robert O. and Nye, Joseph S.** – *Power and Interdependence* (4th Edition).

Exam Utility: Essential for the theoretical framework of "Complex Interdependence," explaining why trade can expand alongside acute military tension.

- **Mearsheimer, John J.** – *The Tragedy of Great Power Politics* (2001).

Exam Utility: The core text for structural realism, decoding the zero-sum offensive behavior of rising global superpowers.

Part V: Key Institutional & Strategy Reports (Suggested Reading)

- Stockholm International Peace Research Institute (SIPRI) – *Trends in International Arms Transfers (2018–2022 dataset)*.

Exam Utility: Provides the strict empirical data regarding India's defense import diversification profile (Russia, France, and the US) required for GS-2 analytical precision.

- Global Trade Research Initiative (GTRI) Reports (2024–2026 updates).

Exam Utility: Essential for quoting high-yield trade figures, intermediate input dependencies (such as APIs), and merchandise trade deficit dynamics.

- **ISEAS – Yusof Ishak Institute** – *The State of Southeast Asia Survey Reports*.
