Beyond the ‘String of Pearls’: is there really a Sino-Indian security dilemma in the Indian Ocean?

David Brewster

To cite this article: David Brewster (2014) Beyond the ‘String of Pearls’: is there really a Sino-Indian security dilemma in the Indian Ocean?, Journal of the Indian Ocean Region, 10:2, 133-149, DOI: 10.1080/19480881.2014.922350

To link to this article: http://dx.doi.org/10.1080/19480881.2014.922350

Published online: 17 Jun 2014.
Beyond the ‘String of Pearls’: is there really a Sino-Indian security dilemma in the Indian Ocean?

David Brewster*

Visiting Fellow, Strategic and Defence Studies, Centre, Australian National University, NSW, Australia

The article will ask whether Sino-Indian strategic competition in the Indian Ocean should be properly understood through the lens of a security dilemma. It examines the strategic positions of India and China in the Indian Ocean and concludes that India has an overwhelming strategic advantage that China cannot realistically mitigate in the foreseeable future. This advantage precludes any real security dilemma arising between them. In fact, both China and India have good reasons to keep strategic competition under control while they each broaden their regional influence.

Keywords: India; China; strategic competition; Indian Ocean; security dilemma

China is becoming an ever-more important factor in the strategic balance of the Indian Ocean and is increasingly cutting across India’s strategic ambitions in the region. Many commentators see China as aggressively expanding its influence in the Indian Ocean as a prelude to building a significant military presence. According to this narrative, China’s offensive actions are creating a security dilemma for India and others that could lead to naval rivalry and an arms race in the region.

This article will look at the concept of the security dilemma before examining whether such a dilemma exists in the Indian Ocean. It will discuss India’s strategic position and then examine China’s strategic imperatives and vulnerabilities in the region. The article will conclude that India’s overwhelming strategic advantages in the Indian Ocean preclude any real security dilemma arising. In fact, despite tensions in the relationship, it is in the interests of both China and India to mitigate rivalry in the maritime sphere.

What is a security dilemma?

The security dilemma forms a basic part of our thinking about international relations. The idea was first articulated by the international relations scholar John H. Herz, who observed that attempts by states to look after their security needs tend, regardless of intention, to increase insecurity for others as each interprets its own measures as defensive and measures of others as potentially threatening (Herz, 1950). This idea holds an important position in several different traditions in international relations thinking, if in somewhat different ways. So-called offensive realists such as John Mearsheimer argue...
that the security dilemma is inescapable because anarchy encourages all states to always increase their own power at the expense of others (Mearsheimer, 2001). Defensive realists such as Stephen Walt claim that a security dilemma will arise in some circumstances because states will always try to maximise their own security and are distrustful of other states’ intentions (Walt, 1987). Constructivists such as Alexander Wendt focus on the subjective element, arguing that security dilemmas arise due to intersubjective understandings where states assume the worst about each other’s intentions (Wendt, 1992, p. 397).

But if a security dilemma can arise because of state behaviour or perceptions why is it more intense in some circumstances than others? Robert Jervis sets out four simple scenarios to describe conditions under which a security dilemma will arise in differing degrees. According to Jervis, the key to understanding the intensity of the security dilemma is how easily it is for others to distinguish between offensive and defensive behaviour and the relative advantage of offence and defence in the given circumstances (Jervis, 1978). These scenarios are: first, when offensive and defensive behaviour are not distinguishable but offence has a strategic advantage, then the environment is ‘doubly dangerous’ and the security dilemma is very intense. Status quo states will behave in an aggressive manner and the possibility of an arms race will arise; second, where offensive and defensive behaviour are not distinguishable but defence has a strategic advantage, then the security dilemma will be intense. In this situation, a state might be able to increase its security without being a threat to other states and without endangering the security of other states; third, where offensive and defensive behaviour are distinguishable but offence has a strategic advantage, then the security dilemma is not intense. Although the environment is relatively safe, offensive behaviour has an advantage that might result in aggression at some future time; and fourth, where offensive and defensive behaviour are distinguishable and defence has a strategic advantage, the environment is ‘doubly safe’ and the security dilemma has little or no intensity. According to Jervis, a state might build its military capability for defensive purposes which other states might interpret as offensive; this may result in those other states taking an aggressive stance, which in turn may lead to an arms race. The security dilemma might also force states to form new alliances especially if it is perceived that offensive behaviour holds a strategic advantage over defence.

How might these concepts apply to India and China in the Indian Ocean? There is considerable strategic competition or even rivalry between India and China in several dimensions and theatres, including on their Himalayan border, in relation to Pakistan and elsewhere in South Asia and in the Indian Ocean. Many analysts claim that a Sino-Indian security dilemma exists or is arising in the Indian Ocean (Athwal, 2008; Garver, 2002; Holslag, 2009; Mohan, 2012). The idea has even become part of political rhetoric, when, for example, political leaders talk of a ‘Malacca Dilemma’ or a ‘Hormuz Dilemma’ to describe the vulnerability of their sea lines of communication across the Indian Ocean. The popular ‘String of Pearls’ narrative also reflects these perceptions. It posits that China’s interests in various port and other infrastructure projects in the Indian Ocean region are strategic in nature, creating a potential threat for India. This article will look at Chinese and Indian strategic imperatives in the Indian Ocean and the ‘String of Pearls’ narrative before returning to the question of a security dilemma.
India’s strategic position in the Indian Ocean region

The great triangle of the Indian subcontinent jutting south from Eurasia geographically dominates the Indian Ocean. India is the predominant power in the subcontinent and in turn is the most powerful littoral state in the Indian Ocean region. But although much of its borders are oceanic, Indian strategic thinking has historically had a strong continental outlook. Military threats to India have long been perceived as coming over land. Indian maritime strategists, led by the Indian Navy, are now seeking to expand the Indian ‘mental map’ to give the maritime realm greater priority. State-based maritime security threats to India’s continental territory are seen as relatively unlikely, although maritime-based terrorism has become a significant concern. Indian maritime security concerns are now primarily focused on the protection of trade, India’s exclusive economic zone and, more broadly, on the extension of Indian strategic influence in the region.

India has long had ambitions to be the dominant power in the Indian Ocean. Although few might publicly admit it, many in New Delhi believe that the Indian Ocean must be, and must be seen to be, ‘India’s Ocean’ (Scott, 2006). As one US analyst commented, ‘New Delhi regards the Indian Ocean as its backyard and deems it both natural and desirable that India function as, eventually, the leader and the predominant influence in this region – the world’s only region and ocean named after a single state’ (Berlin, 2006). This aspiration brings together several strands of Indian strategic thinking: some argue that India must establish a defence perimeter in the Indian Ocean to preclude the possibility of extra-regional intervention in the subcontinent; some draw a connection between India’s maritime ambitions and its aspirations to become a great power. Indeed, influential strategists such as K. Subrahmanyam have argued that leadership of the Indian Ocean is part of India’s ‘manifest destiny’ (Holmes, Winner, & Yoshihara, 2009, p. 38).1 Not least is also a dose of nominative determinism. As Indian Ambassador to the United States, Ronan Sen, told President George Bush in 2005, ‘There are good reasons why it is called the Indian Ocean … it has always been in the Indian sphere of influence’ (Rajghatta, 2005). These aspirations to strategic leadership are reflected in recent claims by Indian Prime Minister Manmohan Singh that henceforth India should be regarded as a ‘net security provider’ to its region (Kumar, 2013).

In line with its aspirations, India is building its capabilities in the Indian Ocean. Over the last decade or so there has been a dramatic increase in India’s defence expenditure, which has transformed the Indian Navy into a blue water navy that can project power throughout much of the Indian Ocean. The Indian Navy has expansion plans over the next decade or so, involving a fleet of over 160 ships by 2022, including three aircraft carriers and 60 major combatant ships, as well as almost 400 naval aircraft (India Defence, 2008). India is also in the process of developing new military partnerships that will enhance its strategic reach, including relationships with strategically located states such as Singapore, the Maldives and Oman. In March 2014, Shiv Shankar Menon, the Indian National Security Advisor, announced the establishment of a new Indian Ocean maritime security grouping among India and the Indian Ocean island states of Sri Lanka, the Maldives, the Seychelles and Mauritius (Dikshit, 2014). Menon also foreshadowed that such a grouping might be extended to or replicated in the Bay of Bengal. These are significant steps for India, which has a long tradition of non-alignment. Although the United States will likely be the predominant power in the Indian Ocean for some decades, there is a belief among many strategists, particularly in India, that India will eventually inherit the US mantle.
China’s strategic imperatives in the Indian Ocean

China’s overwhelming strategic imperative in the Indian Ocean is the protection of its sea lines of communication (its so-called ‘SLOCs’) across the Indian Ocean, particularly the transport of energy. Beijing is keenly aware that its SLOCs in the Indian Ocean are highly vulnerable to threats from state and non-state actors, especially through the narrow ‘chokepoints’ through which most trade must pass. Some 40% of China’s oil imports transit the Strait of Hormuz at the entrance of the Persian Gulf and around 82% of China’s oil imports transit the Malacca Strait through Southeast Asia (US Department of Defense, 2012, p. 42). According to Chinese President Hu Jintao this last chokepoint represents China’s ‘Malacca Dilemma’. Chinese strategists are concerned that a potential adversary may be tempted to interdict Chinese trade through the Malacca Strait or elsewhere in the Indian Ocean as a bargaining chip in the context of a wider dispute. China currently implicitly accepts the role of the United States in providing maritime security in the Indian Ocean, but it takes quite a different view of India’s strategic aspirations.

China’s growing trading and investment relations in the Indian Ocean will likely significantly increase China’s strategic interests in the region in coming years. Threats to significant infrastructure such as pipeline infrastructure (which tend to be highly vulnerable to both state and non-state actors) could create significant additional imperatives for a Chinese security presence. As will be discussed later, this could become important factors in China’s relationships with Pakistan and Myanmar.

China is addressing its strategic vulnerabilities in the Indian Ocean, especially in relation to its maritime SLOCs, through building capabilities to project limited naval and air power into the Indian Ocean and developing its economic and political influence with several Indian Ocean states. But it is also claimed that through the so-called ‘String of Pearls’ strategy, China is methodically laying the groundwork for a Chinese naval presence in the region that could threaten the interests of India and others.

The expansion of China’s naval capabilities

China began implementing plans to develop a so-called ‘blue water’ navy in the 1980s. China’s maritime strategy is overwhelmingly focused on the Taiwan Strait and elsewhere in East Asia, but it also has long-term implications for the Indian Ocean. Over the last two decades or so, China has embarked on a major naval expansion program, including the commissioning of its first aircraft carrier and is also developing anti-access area denial capabilities that have the potential to change the balance of power in the Western Pacific (US Department of Defense, 2012).

Overall, China’s naval capabilities now exceed India’s by a considerable margin in both quantitative and qualitative terms, and that margin is likely to grow in coming years. But despite alarm among some Indian analysts, China’s power projection capabilities in the Indian Ocean are very limited and are likely to remain so for the foreseeable future. The Chinese Navy (PLAN) has little experience in operating beyond coastal waters despite recent anti-piracy deployments to the Arabian Sea. Notwithstanding its expansion program, China has only a limited number of blue water naval combatants and few long-range air strike capabilities. China’s ability to project power into the Indian Ocean is highly constrained by the long distance from Chinese ports and air bases (the closest Chinese naval base to the Indian Ocean is at Hainan Island in the South China Sea), the
lack of logistical support, and the need for Chinese naval vessels to deploy to the Indian Ocean through chokepoints. One review of PLAN’s out-of-area capabilities concluded that it cannot currently conduct a full-scale joint forcible entry operation, maintain maritime superiority out of area (i.e. outside of East Asia), conduct multicarrier or carrier strike group operations, or provide comprehensive protection against threats to an out of area task force (Yung et al., 2010). According to the International Institute for Strategic Studies, any conflict involving supply lines stretching further than 200 miles or which did not involve a contiguous land corridor would severely restrict the PLA’s ability to deploy and maintain its forces (IISS, 2011, p. 134). According to You Ji, an Australian expert on Chinese military affairs, Beijing understands that the use of military option to meet conventional threats to Indian Ocean SLOCs is not realistic and that military means for protecting SLOCs will be a last resort in Beijing’s hierarchy of choices (Ji, 2012).

China’s first steps in projecting naval power into the Indian Ocean region have been in response to the piracy crisis in the Gulf of Aden. In December 2008, following the hijacking of two Chinese registered ships, China deployed three warships to waters off Somalia to conduct antipiracy operations, only the third deployment of Chinese naval ships into the Indian Ocean in more than six centuries. The PLAN has since made successive deployments, with vessels receiving logistical support primarily out of Salalah in Oman and Aden in Yemen. China has acted relatively cautiously – before it deployed in the Indian Ocean, China waited to gauge the international reaction to the counter-piracy mission and they ensured that the deployment had the authorisation of both the Somali government and the United Nations (Moore, 2012). Nevertheless, Chinese commentators have made much of China’s anti-piracy deployments as a demonstration or even ‘breakthrough point’ for China’s image as a ‘great responsible power’ (Yoshihara & Holmes, 2010).

The expansion of China’s influence in the Indian Ocean region

Over the last decade or so, in line with the growth of China’s role elsewhere in the world, there has been a major expansion of China’s economic relationships in the Indian Ocean region. In several states China is building a level of influence that rivals or even exceeds that of India. But the full strategic impact of this growing influence is not yet clear.

Pakistan has long anchored China’s strategic presence in the Indian Ocean region. China has established itself as a major supplier of arms to Pakistan and provides it with considerable diplomatic support against India. The China factor has since played a major role in limiting India’s strategic options with Pakistan and keeping India strategically pre-occupied in South Asia. Since the 1980s, the relationship gained a new dimension when China facilitated the proliferation of nuclear weapons and missiles to Pakistan. The economic relationship has also grown, and China is now Pakistan’s second largest trading partner.

China is also developing its economic and political relationships elsewhere in South Asia, including with Nepal, Bangladesh, Sri Lanka and the Maldives. Although South Asia is generally seen as being within India’s core sphere of influence, India’s dominance is not well reflected in the region’s economic relationships. China’s political and economic links with Sri Lanka have become of some concern to New Delhi, and many in India’s security community fear that India’s influence in Sri Lanka will be marginalised by China. Although India remains Sri Lanka’s biggest trading partner, China is now its major source of infrastructure investment, including several controversial projects.
China’s economic influence is also growing among the small island states of the Indian Ocean, including the Maldives and Mauritius, which have long had close relationships with India.

Much has been made of Chinese strategic penetration of Myanmar over the last few decades and the potential for it to be used as a base for China’s strategic ambitions in the Indian Ocean. For China, Myanmar is an attractive strategic partner, potentially keeping India off balance in the northeast Indian Ocean, just as the China–Pakistan relationship creates pressure on India from the west. The relationship is primarily economic but also had a significant security dimension, particularly in arms supply. But, since 2011, a reformist government under President Thein Sein has made considerable steps towards improving relations with the United States and India while partly distancing itself from China. These events probably represent the most significant set-back for China’s influence in the Indian Ocean region for many years.

The development of alternative transportation routes

China is also developing alternative overland energy transport connections from southern and western China to the Indian Ocean through Pakistan and Myanmar. One project involves plans to build links between the Arabian Sea and China’s western Xinjian province through Pakistan, which includes a proposed oil pipeline and road/rail links from the Chinese border to the new port of Gwadar in western Pakistan. However, the adverse security environment makes it unlikely that these links will be developed in the foreseeable future. China has already made a small military deployment to Pakistan-occupied Kashmir to protect Chinese road maintenance workers against local tribesmen and Pakistan’s Baluchistan province remains extremely volatile.

China has made more progress in developing connections to the Indian Ocean through Myanmar. This is part of what Beijing has called the national bridgehead strategy of turning Yunnan province into a bridgehead for strategic engagement with the Indian Ocean, as part of its ‘Two Ocean Strategy’. According to China analyst, Sun Yun, this strategy is currently focused on developing trade and transportation links between China and the Indian Ocean, although Chinese officials privately acknowledge that it has a political and security component (Sun, 2012). The Yunnan–Yangon Irrawaddy road/rail/river corridor has been operational for around a decade and has allowed significant improvements in freight transportation times to southern China. China has also recently completed oil and gas pipelines between the new port of Kyaukphyu and Yunnan province that will transport gas from Myanmar’s offshore gas fields as well as oil shipped from the Middle East.

Although the Myanmar pipeline and the Gwadar pipeline (if ever built) would reduce the proportion of China’s energy imports that must transit the Malacca Strait, it is doubtful whether these projects would materially mitigate China’s strategic vulnerabilities, at least vis-à-vis India. They would not prevent the interception of Chinese tankers in the Strait of Hormuz, the Arabian Sea or the Suez Canal and the pipelines themselves would be highly vulnerable to attack (Erickson & Collins, 2010). But despite the inherently defensive nature of these transport linkages, they are viewed with considerable suspicion by many in New Delhi as adverse to India’s interests.
China’s ‘String of Pearls’ strategy

Over the last decade or so, many analysts have claimed that China has been pursuing what has been called the ‘String of Pearls’ strategy in the Indian Ocean and that this constitutes a threat to India (Kaplan, 2013; Karnad, 2005; Khurana, 2008; Malik, 2011). During that period, Chinese companies have been involved in the funding and construction of commercial port facilities in Pakistan, Sri Lanka, Bangladesh and Myanmar. Although China has been careful to avoid any overt military presence or, in most cases, even any commercial role in the operation of these ports, some proponents of the ‘String of Pearls’ theory claim that China has negotiated secret access rights to allow the PLAN to use these ports as logistics hubs or naval bases across the northern Indian Ocean.

The ‘String of Pearls’ narrative has now become a prominent factor in Indian public debate about China’s intentions in the Indian Ocean. Despite denials by Beijing that it has any intention to establish any military bases in the Indian Ocean (The Hindu, 2012), China’s relationships in the region are generally not perceived in the Indian security community as being a legitimate reflection of Chinese interests. Rather, many perceive China’s regional relationships as being directed against India: either as a plan of maritime ‘encirclement’ or to keep India strategically off balance in the region, just as China’s relationship with Pakistan has long kept India off balance in South Asia (Maitra, 2005; Ramachandran, 2007).

Through the 1990s, Chinese companies were involved in the development or upgrading of several ports in Myanmar on the Bay of Bengal. China is also said to have provided assistance in constructing a signals intelligence facility at Myanmar’s Great Coco Island. This has long been the subject of controversy among the Indian security community, who claimed it was used by China to spy on India’s naval base at Port Blair in the Andaman Islands, monitor commercial traffic through the Malacca Strait and/or monitor Indian missile tests. In 2005, the Myanmar regime, which had always emphatically denied the existence of such facilities or any Chinese military presence in the Coco Islands, invited the Indian Navy to carry out its own inspections of the islands and ports, after which the Navy conceded that there was no Chinese intelligence facility on Great Coco Island and nor were there any Chinese naval bases anywhere in Myanmar (Asian Defence Journal, 2005). As Andrew Seth, a specialist in Myanmar strategic affairs commented, this ‘was a remarkable about face on two issues that had preoccupied Indian defence planners for more than a decade’ (Selth, 2008).

Another controversial symbol of China’s interests in the Indian Ocean is the port at Hambantota in Sri Lanka. Chinese companies funded the development of a new port and an associated international airport, costing around US$1 billion, which are now operated by Sri Lankan state entities. The location of Hambantota very close to the sea lanes that round the southern tips of India and Sri Lanka is taken as proof by some analysts that it is a Pearl in China’s string, available for use by the PLAN. But these claims are not supported by the evidence. The Sri Lankan government first offered the project to India, which declined the opportunity (Vasan, 2009). Some Indian commentators see this as a major mistake, demonstrating a lack of a vision and assertiveness in Indian foreign policy (Raman, 2007). But according to one Indian official, New Delhi did not feel the need to bid for the project given India’s interests elsewhere in Sri Lanka and did not see the project as reducing India’s influence (Ramachandran, 2007). There were also domestic political considerations – the Indian states of Kerala and Tamil Nadu also have ambitions
to develop the ports at Vizhinjam, Cochin and Tuticorin, which will compete directly with Sri Lanka for the region’s lucrative transhipment trade. Beyond Chinese financing of its construction there is little evidence to support the contention that Hambantota will one day serve as a base for Chinese warships. Similarly, a recent Chinese-funded expansion of Sri Lanka’s main port at Colombo has led to claims that it too will come under China’s control. Indeed, Colombo is already an important port for India with some 13% of India’s container traffic being transhipped through it, and this may rise significantly. While this may be of concern to India, it appears to be essentially a commercial consequence of the poor quality of India’s own port infrastructure (The Economist, 2013).

China’s involvement in the port of Gwadar in western Pakistan, around 600 km east of the Strait of Hormuz, may have the most strategic significance, although perhaps not in the way that many assume. Some Indian analysts argue that a Chinese military presence at Gwadar would create a ‘Hormuz Dilemma’ for India (through which the major of its total oil imports pass) analogous to China’s ‘Malacca Dilemma.’ Gwadar has long been seen as having strategic significance. In the 1980s, the Soviet intervention in Afghanistan was viewed (incorrectly) by Washington as the first step in a strategy to gain access to a ‘warm water’ port on the Indian Ocean through Gwadar. Gwadar has again come into the spotlight as Pakistan increases its reliance on China.

Gwadar, which sits on the edge of the Baluchi desert, seems an unlikely location for a major commercial port. In addition to proposals to develop Gwadar as a transit terminal for an oil pipeline running to China, discussed previously, it is hoped that Gwadar can be developed into a transhipment hub for trade to the Persian Gulf (in competition primarily with Dubai). But the Port of Singapore Authority, which previously operated the port, had no success in promoting the port for either domestic trade or transhipment. In 2012, a Chinese state-owned company took over operation of the port and reportedly committed to further investments in local infrastructure of some $750 million (Lahore Times, 2013). But its intentions are unclear. Any routes to western China would need to transit Baluchistan, northwest tribal areas and Pakistani Kashmir, all of which are in a semi-permanent state of insurgency. A recent report describes the security environment in Baluchistan as, ‘spiralling out of control’ and having far more potential repercussions for the Pakistani federation than even the militancy in the Pashtun areas (IDSA, 2010). Whether or not this is entirely accurate, it is clear that Baluchistan has a major long-term security problem. Chinese engineers in Gwadar have been attacked several times by insurgents, and an expanded Chinese presence in Gwadar could draw China into a broader role in combating the insurgency.

Pakistan has actively promoted a Chinese presence in Gwadar. In the wake of the deterioration of US–Pakistan relations after the killing of Osama bin Laden in May 2011, the Pakistan Defence Minister, Ahmed Mukhtar, sought to play the ‘China card’, announcing that China would build a naval base at Gwadar. This was immediately denied by Beijing and there are as yet no indications of any Chinese military presence (Fazl-e-Haider, 2012). According to one analyst, ‘Beijing is treading carefully, and with good reason. A combination of compelling economic, security, and political factors ensure that a fully functioning commercial port – let alone an operational military base – remains a distant prospect’ (Venugopalan, 2011). China has reason to be cautious. As noted above, China would have little wish to be sucked into Pakistan’s ethnic and religious conflicts in protecting the military infrastructure. A Chinese military presence in Gwadar would likely provoke a significant reaction from both the United States and India and, as will be discussed later, it is far from the strategic trump card for China that many claim it to be.
Indeed, Gwadar has strategic significance in ways that are different from what some might assume. While the new port at Gwadar might have limited military value for China, it has considerable military significance for Pakistan. Pakistan is highly dependent on imports for energy and food. Its main port at Karachi is close to India and has shallow approaches and a long channel that could be easily mined. India used this to its advantage during the 1971 Indo-Pak war by blockading Karachi. The Indian Navy also threatened a blockade during the 1999 Kargil conflict which, according to some, was an important factor in convincing Pakistan to withdraw its forces from Kashmir (Kanwal, 1999, p. 220). The development of Gwadar with links to the rest of the country would help provide important strategic depth for Pakistan. As noted, Gwadar could one day also form an important terminus for road, rail and pipelines from the Indian Ocean to China and Central Asia. Although such a prospect seems many years off in the current security environment, its potential economic impact is significant.

India has responded to the Gwadar project by sponsoring an alternative North–South transportation corridor running from the Iranian port of Chahbahar to Afghanistan and the Central Asian republics, and to Russia via the Caspian Sea. India has offered to help construct a highway and rail links to Afghanistan (and the Afghani portion of the highway has been completed by India’s Border Roads Organisation). The most significant strategic aspect of the project is the development of the port of Chahbahar, which is located on the Gulf of Oman, between Gwadar and the Strait of Hormuz. In June 2014, India signed an agreement with Iran under which it would contribute $100 million to expand the port, which would then be operated by two Indian state-owned companies. Washington supports the project – the need for new transport routes to Afghanistan as an alternative to Pakistan apparently overcoming its desire to isolate Iran (Press Trust of India, 2012). Although unlikely in the current environment, the port could potentially provide the Indian Navy easy access to the Strait of Hormuz, which could increase China’s sense of strategic vulnerability. Of greater significance are the potential benefits this new transport route could provide for trade with Central Asia and southern Russia.

**Looking at the Pearls**

It is relatively easy to demolish the more unsophisticated claims about the so-called ‘Pearls’. Among other things, the ports usually nominated as China’s Pearls seem ill-suited for use as naval bases. According to Daniel Kostecka, a China analyst with the US Navy, converting Gwadar and Hambantota into naval bases would require billions of dollars worth of investment to ensure their viability in wartime and even then, their exposed position would make their wartime utility dubious against an enemy equipped with long-range precision strike capability (Kostecka, 2010a). Holmes and Yoshihara, senior analysts with the US Naval War College, also conclude that Gwadar is not readily defensible and would not prevent the interdiction of Chinese energy supplies inside the Persian Gulf (Holmes & Yoshihara, 2008). As one Chinese analyst commented, given the distances separating any Chinese interests in the Indian Ocean, these ports look more like ‘sitting ducks’ than a String of Pearls (Ye, 2009).

Other observers such as Robert Kaplan see the ‘String of Pearls’ concept more in terms of the development of Chinese strategic influence in the Indian Ocean region rather than as immediate plans to establish naval bases. According to Kaplan, the String of Pearls theory describes a commercial, political, strategic and lastly military venture, the constituent elements of which cannot be disaggregated. Kaplan argues that ‘we live in a
post-modern world of eroding distinctions: a world where coast guards sometimes act more aggressively than navies, where sea power is civilian as well as military, where access denial can be as relevant as the ability to engage in fleet-on-fleet battle and where the placement of warships is vital less for sea battles than for diplomatic ones’ (Kaplan, 2013). But it is difficult to give much concrete meaning to this argument. While few would doubt that China’s influence in the Indian Ocean region is increasing, it is not clear how this differs from China’s growing economic and political influence in many areas of the world. The development of infrastructure in several Indian Ocean states must also be seen in the context of Chinese investment in port infrastructure in ports as diverse as Los Angeles, Antwerp, Singapore, Piraeus, Nigeria, Suez and Djibouti.

Those suspicious of China’s intentions in the Indian Ocean would say that China has targeted key states in the northern Indian Ocean that would act as partners in the event of military conflict. If this is part of a concerted strategy then it has not been terribly successful. China appears to be losing considerable strategic influence in Myanmar and while Bangladesh, Sri Lanka and the Maldives have been happy to take Chinese investment in infrastructure (and in some cases, Chinese arms), they have also been at pains to counter any suggestions of any potential Chinese military presence. The only significant exception is Pakistan which, on the contrary, appears to have been seeking the development of a Chinese presence as a balance against India and a bargaining chip with the United States.

But what then is PLAN’s strategy in the Indian Ocean? Daniel Kostecka argues that instead of building ‘Pearls’ the PLAN is instead pursuing a policy of ‘places not bases’, allowing PLAN vessels to receive logistical support at ports where China has friendly and stable relationships. He sees this as a natural outgrowth of PLAN’s expanding presence in the region, particularly its counter-piracy patrols off the Horn of Africa. According to Kostecka, PLAN’s logistical support network in the north-western Indian Ocean is likely to include Salalah, Aden, Djibouti (which already provides support for the US, French and Japanese navies among others, and is therefore politically safe for China), and Karachi (which has substantial repair facilities and possible parts-commonalities with the Pakistan Navy’s Chinese-built frigates). In the north-eastern Indian Ocean, Kostecka believes that PLAN is likely to use Colombo and Singapore (both of which are used by many visiting navies). Although China will maintain positive relationships with Sri Lanka, Bangladesh and the Maldives, this does not mean China will seek to establish a military presence in those countries or that such a presence would even be permitted as it would undermine those countries’ security and do very little to enhance China’s (Kostecka, 2010b). Indian strategist, Raja Mohan, endorses the ‘places not bases’ argument as a realistic basis for assessing China’s plans in the Indian Ocean (Mohan, 2012, p. 128).

Importantly, the ‘places’ identified by Kostecka (including Singapore, Colombo, Salalah, Aden, Djibouti and Port Victoria) are different from the ports that usually appear on the list of Chinese ‘Pearls’. Indeed, most of Kostecka’s places are located in countries (e.g. Singapore, Sri Lanka, Oman and Seychelles) where India holds considerable strategic influence. They may be useful logistics nodes for the PLAN in conducting, say, its anti-piracy operations in conjunction with other interested states. However, none of them would appear to be terribly useful in the event of conflict between China and India as it is difficult to imagine these countries wishing to publicly side with China in those circumstances. In this respect, even the idea of PLAN ‘places’ in the Indian Ocean might not have a great deal of meaning unless Beijing is able to do a deal with a compliant local regime that could be relied on to defy both Delhi and Washington during a contingency.
Since late 2013 Beijing has been trying to emphasise the commercial nature of its involvement in port infrastructure through promoting the idea of a ‘maritime silk road’ stretching between China, Southeast Asia and across the Indian Ocean. In announcing the idea, Chinese President Xi Jinping proposed the construction of a series of ports, logistical stations, storage facilities and free-trade zones with local partners. Delhi has not responded to the proposal, and Beijing may also find it hard to gain significant traction for it in Southeast Asia while it continues its assertive stance in the South China Sea.

A Sino-Indian security dilemma in the Indian Ocean?

Is there a Sino-Indian security dilemma in the Indian Ocean? As Mohan Malik colourfully describes it, ‘Just as the Indian sub-continental plate has a tendency to constantly rub and push against the Eurasian tectonic plate, causing friction and volatility in the entire Himalayan mountain range, India’s bilateral relationship with China also remains volatile, friction- and tension-ridden’ (Malik, 2011, p. 9). There are many unresolved issues between them, including a major border dispute in the Himalayas, Tibetan autonomy, China’s de facto alliance with Pakistan and its relationships elsewhere in South Asia. Probably most infuriating of all for New Delhi is China’s refusal to recognise India’s claims to great power status. Some observers see a material deterioration in the Sino-Indian strategic relationship in recent years, propelling the countries towards a wider strategic rivalry. Concerns about China appear to be broadly held by the Indian public. According to a 2013 opinion poll, some 82% of Indians considered China to be a threat to the security of India in the next 10 years (Medcalf, 2013, p. 10).

Underlying competition in the Indian Ocean is Beijing’s opposition to India’s strategic aspirations to become the leading power in the region. As General Zhao Nanqi, Director of the Chinese Academy of Military Sciences, commented, ‘we are not prepared to let the Indian Ocean become India’s Ocean’ (Hindustan Times, 1993). Many Chinese analysts argue that in coming years a ‘Great Game’ will be played out between China and India in the Indian Ocean, frequently (if inaccurately) quoting US sea power theorist Alfred Mahan as stating, ‘Whoever controls the Indian Ocean dominates Asia. This ocean is the key to the Seven Seas’ (Yoshihara, 2012). The Chinese commentariat, at least, appears to see significant potential for struggle over control of the Indian Ocean.

These feelings are reciprocated. While the Indian Navy’s immediate objectives in the Indian Ocean involve countering Pakistan, enforcing control over India’s exclusive economic zone, and protection of trade, the potential for China to project naval power into the Indian Ocean has become its principal long-term source of concern. Many in New Delhi see a significant risk that India and China will, as Arun Prakash, Indian Chief of Naval Staff (2004–2006), put it, ‘compete and even clash for the same strategic space’ (Prakash, 2007, p. 99). As Prakash’s successor, Admiral Suresh Mehta, claimed on Indian television:

[China] is shaping the maritime battlefield in the region. It is making friends in the right places. It you don’t have the capability to operate in these waters, for a length of time, then you need friends who will support your cause, when the time comes, so definitely China is doing that, as there are Pakistan, Bangladesh, Myanmar, Sri Lanka and down below Africa. So it is a known fact that we are ringed by states which may have a favourable disposition towards China. (NDTV India, 2007)
Sino-Indian competition has the potential to spread beyond the Indian Ocean to the
Pacific. India has responded to China’s growing influence in the Indian Ocean by
developing its own presence near the Malacca Strait. It has also tried to exert pressure on
China to keep off its ‘patch’ by improving relations with Vietnam, which has led to
speculation that India intends to establish a naval base in Vietnam as a tit for tat for
Chinese activities in the Indian Ocean.

Based on the categorisations used by Robert Jervis in understanding the security
dilemma, one could conclude that the strategic environment in the Indian Ocean is
‘doubly dangerous’ and that there is considerable scope for an intense security dilemma
between India and China. If the protection of trade and sea lines of communication is
ranked as a primary maritime security concern in the Indian Ocean, then offensive and
defensive naval build ups for this purpose could be difficult to distinguish. There is
considerable overlap between the capabilities a state would require to protect its own
maritime trade and the capabilities required to interdict another state’s trade. In addition,
given the disparity between the resources required to defend a commercial ship from
interdiction as against the resources required to interdict that ship, one could argue that
offensive behaviour in this respect has a considerable advantage over defensive
behaviour. Arguably the behaviour of both India and China indicates an intense security
dilemma as each takes actions at the expense of the other. Indeed, both states seem to be
undertaking major naval build-ups with an emphasis on ‘blue water’ capabilities. India is
aligning itself with the United States, apparently to balance against a stronger China, and
is developing its capabilities at or around the choke points where it could most easily
interdict Chinese vessels. The String of Pearls narrative also seems to be proof that China
is preparing the ground for a naval build-up in the Indian Ocean. Even analysts such as
Raja Mohan, who reject the cruder versions of the String of Pearls theory, see a security
dilemma existing between India and China in their overall relationship (Mohan, 2012,
p. 190).

But any analysis of Sino-Indian strategic competition also needs to take into account
factors that cast considerable doubt on the value of understanding the relationship, at least
in the Indian Ocean, through the lens of the security dilemma. First, the Indian Ocean is
but one theatre of strategic interaction between India and China and it should probably be
regarded a secondary theatre or dimension. Of greater significance is India’s over-
whelming geo-strategic advantage over China in the Indian Ocean. Indeed, unlike other
areas of strategic competition, the Indian Ocean is the one area in which India holds a
clear military advantage over China. As Admiral Mehta commented, ‘The weak area for
China today is the Indian Navy. We sit in the Indian Ocean and that is a concern for
China and they are not happy as it is not so easy for them to come inside’ (Zeenews.com,
2009). This is largely the result of geography. In strategic jargon, the Indian Ocean
represents ‘exterior lines’ for China and ‘interior lines’ for India. That is, India has a
natural advantage in the Indian Ocean, including short lines of communication to its own
bases and resources, and China has corresponding disadvantages (Holmes, 2012). The
proximity of maritime chokepoints around the Indian Ocean to Indian territory or
facilities provide another major advantage for India that is difficult for China to counter.
Indeed, it is difficult to see China ever being in a position to militarily defend the entirety
of its SLOCs that run from the Strait of Hormuz around the Indian subcontinent and
through the Malacca Strait. One should remember that from China’s standpoint there is
little value in having the capability of defending only a portion of the SLOCs – to reduce
its vulnerability China must be capable of defending the SLOCs in their entirety against both state and non-state actors.

China’s military options in the Indian Ocean are in fact very limited. Neither putative ‘Pearls’ such as Gwadar or Hambantota nor overland pipelines would do much to affect the overwhelming balance in India’s favour. Even a Chinese naval presence at Gwadar would seem to have limited offensive value. Could the PLAN realistically enforce some form of blockade of the Strait of Hormuz without the active participation of neighbouring states? Even if a blockade could be enforced, is it realistic to conceive that Chinese oil would be allowed to sail unhindered past India and through the Malacca Strait? Any Chinese blockade of the Strait of Hormuz would be merely cutting its own throat. It might be more useful to see a Chinese military presence at Gwadar, if it ever came to pass, as a defensive move by China.

Alternatively Beijing might be tempted to try to overcome China’s strategic disadvantages through brute force. This could theoretically include building China’s power projection capabilities so that it is able to match and surpass India’s capabilities on its home turf; and using China’s economic strength to suborn Indian Ocean states to support China’s power in the Indian Ocean region. Whether or not this would be achievable, it would likely involve the diversion of substantial resources away from the western Pacific and seems unlikely before the status of Taiwan is resolved to China’s satisfaction.

Another, more realistic, strategy would be for Beijing to minimise provocation of India in the Indian Ocean and employ its resources elsewhere where it possesses the strategic advantage. If China is not ultimately able to protect its Indian Ocean SLOCs from India then it would be better to act cautiously in that theatre, building its capabilities and relationships there slowly. This could potentially include developing political and economic influence to encourage India’s putative partners in the region to remain neutral. For example, India’s attempt in 2007 to establish a signals intelligence facility in northern Madagascar was rumoured to have been stymied by Chinese lobbying.\(^5\) Even India’s close partners in the Indian Ocean, such as the Maldives and Mauritius, could become more cautious about their security links with India as their economic relationships with China grow. Despite occasional provocations to the contrary (e.g. a brief and essentially pointless naval exercise by the PLAN in the eastern Indian Ocean in January 2014), China appears to be taking this tentative and cautious approach to any security presence in the Indian Ocean.

India also faces some difficult choices. It could choose to work with the United States and its allies to leverage China’s strategic vulnerability. This could act as a restraint on China’s strategic behaviour elsewhere but could also easily lead to instability and strategic rivalry in the Indian Ocean. However, such a strategy may be relatively high risk and it may make greater sense for India not to play that card. Indeed, New Delhi has more often than not sought to damp down discussions of rivalry or the existence of a security dilemma. Shiv Shankar Menon, the Indian National Security Advisor, commented that he regretted that debate on the Indian Ocean was being ‘framed solely in terms of a Sino-Indian rivalry. This is especially true of strategists in India and China themselves, though not their governments. The terms in which the argument is presented is limited and would be self-fulfilling predictions, were governments to act upon them. Nor are they based on an examination of the objective interests of the states concerned’ (Menon, 2009). According to Menon, Delhi and Beijing will be able to rise above the rhetoric and keep strategic competition under control.
The real challenge for India may be how to maintain its overwhelming geographic advantage in the Indian Ocean without unnecessarily provoking China to take actions that would be to India’s detriment. India should want to maintain its strategic trump card against China’s SLOCs at the least possible cost. This was recognized long ago by the father of Indian maritime strategy, K.M. Panikkar, who suggested that Rangoon should be turned by international treaty into a ‘free port’ that would give China a trading outlet on the Indian Ocean and alleviate its fears of blockade of its Pacific ports (Panikkar, 1943, p. 103).

Framing the analysis beyond the box of the security dilemma has considerable consequences for our understanding of the strategic relationship in the maritime realm. Despite much talk from the nationalist commentatiars, in reality both India and China have been cautious about developing any significant naval presence in each other’s primary maritime sphere. Each has largely resisted attempts by partners such as Pakistan and Vietnam to draw them into disputes with their neighbours. China has been careful not to establish any significant military presence in the Indian Ocean beyond the anti-piracy deployment. Similarly, despite some talk, India has not established such a presence in the Western Pacific and according to Indian Naval Chief of Staff such a deployment is not on the cards (India Today, 2012). An understanding between China and India not to develop a permanent presence on each other’s ‘patch’ may be helpful in reducing tensions. However, given the broader context of Sino-Indian strategic rivalry, it seems unlikely that China would be prepared to rely on India for its maritime security needs in the Indian Ocean region in the absence of a broader strategic understanding.

The larger issue is whether India and China can work together to help manage the complicated regional security environment in Asia. This would include finding ways to accommodate the legitimate interests of all powers and facilitating the development of China’s role as a legitimate and responsible stakeholder in Indian Ocean security. There have been tentative suggestions from both Indian and Chinese sources about the desirability of reaching an understanding of their respective roles in the Indian Ocean. In 2009, Shiv Shankar Menon proposed a cooperative security arrangement among major Asian powers (including the United States), that would encompass the Indian Ocean and the Western Pacific (Menon, 2009). As Menon later commented, for such a system to work, India, China and other rising Asian powers must be willing and capable of contributing to global public goods (Menon, 2010). India will also expect China to acknowledge India’s special role in the Indian Ocean, if not perhaps that it is an ‘Indian Lake’. Whether this can be achieved is a significant question. But while the Sino-Indian relationship remains unstable, there are good reasons for both Beijing and Delhi to keep strategic competition in the Indian Ocean under control.

Notes
1. This view was echoed by Indian Chief of Naval Staff, Admiral Sureesh Mehta (Indian Navy, 2007).
2. The term was first used in a 2005 report entitled ‘Energy Futures in Asia’ prepared for the US Secretary of Defense by the private consultants, Booz-Allen-Hamilton and was quickly adopted by Indian analysts.
3. The Sri Lankan President Rajapaksa also reportedly approached the United States several times to fund the project (Samaranayake, 2011, p. 27).
4. There are unsubstantiated claims that China has established a signals intelligence facility at Gwadar (The Times of India, 2002).
References


China has no plan for Indian Ocean military bases. (2012, 4 September). *The Hindu*.


Moore, J. (2012, September 5). China’s growing role in counter-piracy operations. [Theriskyshift.com](http://theriskyshift.com/2012/09/china-growing-role-counter-piracy-operations/)


An Elephant with a Small ‘Footprint’

The Realist Roots of India’s Strategic Thought and Policies

Bharat Karnad

India is widely regarded as a would-be great power with a slew of mainstream realist strategic policies. It has not shied away from the use of force nor from coercing its smaller neighbours. But it professes peace and is committed to resolving disputes through negotiation. Characteristically though, India’s use of hard power is more evident in domestic politics and in its extended domain, in its relations with the smaller states of the subcontinent that are within the Indian social and cultural orbit, than in its dealings with the more consequential countries. The differences in the premises and presumptions of the two separate sets of policies are at the heart of the country’s strategic incoherence and potential irrelevance in the coming years.

India is among the most violent societies in the world today, immersed as it is in the turbulent processes of social reordering and nation-building. In an extremely diverse and politicised milieu where tradition collides with modernity at every turn, and caste is pitted against caste, sub-castes against each other, the haves against the have-nots, the cities against the countryside, the grassroots against the provincial administrations and the states against other states

---

1 The 2010 Global Peace Index lists India in the ‘red’ category of the most socially unstable states where violence is endemic, alongside Afghanistan, Pakistan and a few African states, ranking it 128 out of 149 countries examined in the survey. The GPI score for India is available at http://www.visionofhumanity.org/gpi-data/#/2010/conf/IN/detail, accessed on May 17, 2012.
and the federal government, India finds itself in a quasi-Hobbesian situation with each constituent group grabbing political space and forcefully claiming its rights and a larger share of the national pie. Yet abroad, India’s image is benign, betraying none of the internal turmoil or the tendency to ready violence. It is, in fact, viewed by Western capitals as a rather soft, loose, if a politically rambunctious, democracy arcing upwards economically (until the recent slowdown) that, fortunately from their point of view, acts reasonably and responsibly, meaning not always against their interests in the international arena.

This chapter will show that the impulses for an upheaving polity and India’s punitive and pettifogging attitude towards its South Asian neighbours are traceable to its realpolitik-laced ancient statecraft, and its generally low-key approach and status quo orientation when dealing with the superior states, arise from deference to hierarchy and power also embedded in the same statecraft, resulting in an over-cautious strategic mindset fuelled by perceptions of national weakness. International Relations theory-wise, it is offensive realism at work in the first instance, and defensive realism in the second.² In either case, it is realist considerations that shape policies, obtaining an India feared by the weaker countries in the region but projecting diffidence in its relations with the bigger powers.³

But what constitutes a realist outlook? Theories assume, for instance, that, in a given situation there is a clearly marked out ‘realist’ path separate from other sub-optimal policy tracks, and that this


³ Speaking on June 1, 2010 at the Council on Foreign Relations, New York, on the eve of the first Ministerial-level India–United States Strategic Dialogue in Washington involving the Indian Minister for External Affairs S. M. Krishna and the American Secretary of State Hillary Clinton, the US Under-Secretary of State William Burns said: ‘Some Americans worry . . . that India sometimes has a hard time realising how far its influence and its interests have taken it beyond its immediate neighbourhood . . . that India doesn’t see as clearly as others do how vital its own role in Asia is becoming’. The text of this speech, ‘India’s Rise and the Promise of U.S.–Indian Partnership’, is available at http://www.state.gov/p/us/rm/2010/136718.htm, accessed on May 17, 2012.
is discernible to policymakers and the interested public alike. Historical evidence suggests, however, that policy is variable because it is moulded by the leader’s threat perception and assessment of the situation, and his risk-averse or risk-acceptant nature. This predisposes him to view the external reality and domestic and other constraints in a certain light, define the goals accordingly and to craft policies to match, all the while being convinced that his chosen policy course is realistic and maximises benefits without compromising vital national interests. And, ultimately, a realist policy judged by its positive outcome.

Nothing illustrates the point better than the saga of Vidkun Quisling. A former Norwegian army major, who staged a short-lived coup in Oslo in 1940 and, two years later, was installed at the head of a friendly ‘National Socialist’ regime by Hitler. Quisling – an anglophile, actually – very early saw a major war coming and in the 1930s railed against measly military spending which he feared would deny Norway credible means of defence. He espoused neutrality as a way of balancing Britain’s maritime dominance of Norway’s seaward flank with Germany’s land-based ambitions. It is another matter that Quisling eventually acquiesced in the Nazi order as, perhaps, a second-best option and won himself lasting infamy. But to indulge in the what-ifs of history, what if the Axis Powers had won the war and Germany remade Europe and the world in its image? Quisling would have been hailed as a leader who, having correctly gauged the game, did the right thing by Norway. And his methods would have been copied by less well-endowed countries caught up in regional power dynamics.

Indian policies are in a different sort of twilight zone. Anchored at one end culturally and subconsciously in the Hindu hyperrealist strategic thought originating in the Vedas – the four great books and repositories of the wisdom of the Indic civilisation – and at the other, tethered rhetorically, at least, to Mahatma Gandhi’s brand of pixilated pacifism and, more substantively, to Jawaharlal Nehru’s

---


5 For a detailed analysis proving that Mahatma Gandhi’s *moralpolitik* – the use of morality as a political instrument – was inconsistent and more of a nuisance than an effective political weapon against the British colonial
1950s worldview, Indian strategic policies seem, at once, expedient, archaic and short-sighted. Moreover, burdened in recent years by the excessive international expectations of ‘responsible state behaviour’, which New Delhi has done everything to stoke, the surprise is that India has had any strategic impact at all. Using a broad-brush analysis, policies relating to Pakistan, China and the United States (US) will be deconstructed in this chapter in terms of the traditional Indian statecraft and Nehruvian logic. The aim specifically is to plumb the extent to which the Vedic postulates of the use of hard power and Prime Minister Manmohan Singh’s personal tilt towards soft power, which is mistakenly attributed to Nehruvian thinking that the ruling Congress Party has a stake in, inform the three policy streams.

**Vedic Precepts, *Arthashastra*, and Domestic and Subcontinental Politics**

The values, principles, postulates, and procedures that animated the ancient Hindu statecraft were catalogued, codified and commented upon in 323 BCE by Kautilya (also known as Chanakya), the advisor to Emperor Chandragupt Maurya – the first of the great rulers to hold sway over what is now most of South Asia, including Afghanistan. The resulting compilation bearing the title *Arthashastra* – translated from Sanskrit literally as the *Science of Material Gain* – contained practical advice to the sovereign on strategies and stratagems of war and peace, on the ways to maintain order in society and safeguard interests, to continually expand and strengthen the realm and effectively


6 All quotes and references to Vedic texts, information about and insights into the ancient Hindu statecraft reflected in treatises, including the *Arthashastra* and *Sukraniti*, in this chapter are derived from Karnad, *Nuclear Weapons and Indian Security*, pp. 3–19. There is growing appreciation of the traditional Indian statecraft, especially Kautilya, in the West. See Roger Boesche, *The First Great Political Realist: Kautilya and His Arthashastra* (Lanham, MD: Lexington Books, 2003), and Torkel Brekke, ‘Wielding the Rod of Punishment: War and Violence in the Political Science of Kautilya’, *Journal of Military Ethics*, 3, 1 (March 2004), pp. 40–52.
to manage it for the extraction of maximum benefit. It provides a ‘tool-kit’ for the conduct of international relations always with an eye to territorial aggrandisement, increasing influence, wealth and power of the state and to attaining predominance. Most of its contents were distilled from the four Vedas – *Rig Veda, Sama Veda, Yajur Veda*, and *Atharva Veda* and what is regarded as the fifth Veda, the Puranas, featuring, among numerous stories, myths and legends, the two great epics – the Mahabharata and the Ramayana, which continue (to this day) to shape the thinking of the people and colour political discourse. Thus, Indian politicians routinely invoke characters from these epics, referring to the values they represent and the principled actions attributed to them in criticising opponents or justifying their own posture and attitude.7 (The Vedas have been sourced back to two to four millennia; a more precise dating by historians has not been possible.) Considering that India has long been associated with morality, spirituality and pacifistic otherworldliness, the hard-headed, no-nonsense and strictly ends-focused (means be damned!) policy approach, packaged in the ancient texts and updated by Kautilya in his codex, and portrayed even more starkly in the later treatises such as the *Sukraniti*, is astounding in its clarity, suggesting an alternative basis for worldview and policies that could have served the country’s interests better in the modern day.

International relations are governed, say the Vedas, by ‘the law of the fish’, of big fish swallowing the small fish until there remains only the hegemon or chakravartin, with a realm extending to ‘the very ends uninterrupted (so as to) constitute one state and administration up to the seas’. The *vijigisu* (aspirant) is enjoined by the *Rig Veda*, the most important of the Vedas, to become the chakravartin in an ever-enlarging territorial space acquired by ‘subjugating’ and ‘absorbing’

---

7 In a recent controversy in the Gujarat province run by the opposition Bharatiya Janata Party (BJP) involving an investigation into the alleged involvement of the Chief Minister Narendra Modi and Home Minister Amit Shah in an extra-legal killing of an extortionist, the Congress Party pleaded with the BJP to stop supporting these two leaders, and cited characters and events in the Ramayana to buttress their case. See ‘Congress Cites Ramayana, to Ask BJP to Shun Modi, Shah’, *DNA*, July 28, 2010. Available at http://www.dnaindia.com/india/report_congress-cites-ramayana-to-ask-bjp-to-shun-modi-shah_1415863, accessed on May 17, 2012.
smaller states, which process is said to usher in peace and stability. In the Vedic geopolitics, the paradigm consists of concentric circles of alternately adversarial and friendly states. By this reckoning, the adjoining set of countries is necessarily adversarial which, in turn, are bounded by the next circle of basically friendly countries and so on whom to befriend. The geopolitical thrust, therefore, is to subdue a progressively larger circle of countries, starting with those in the innermost circle with or without the help of countries in the next outer tier, while allying with states farther off and seeking their help when needed. With the sovereign enjoined to constantly enlarge his kingdom territorially by hook or by crook, the stress in the Vedic system of nation-states (rajmandala) is towards large composite entities, which because of their inherent capabilities and strength, are perceived as being more resilient, self-sufficient and survivable as compared to smaller entities that are not.

The collection of peoples, thus, obtained by the would-be hegemon assimilating an ever larger number of proximal states with force when persuasion fails, is ipso facto a more heterogeneous mix of faiths, nationalities and ethnicities, where the separate and unique identities of the various peoples the king is urged to respect. In this concept, the large states are seen to be in perpetual conflict pending the emergence, in the latter-day Darwinian sense, of the strongest and the fittest subduing all the others by whatever means and assuming the mantle of the sole hegemonic power.

The primacy accorded force, subversion and military means by the Vedas is reflected in the fact that diplomacy and other relatively peaceful methods are subsumed in the manual of war (Yuddhakundam). This manual lays great store by kutayuddha or covert war, in which espionage, assassination, poisoning and sowing dissension in enemy ranks are sanctioned as a way of softening up the enemy state as prelude to unleashing ‘total war’ (samukhayuddha) to bring it to its knees. To achieve this, the king is advised to scruple to nothing. Mirroring the nuances of modern-day concepts of nuclear deterrence, the texts suggest that enemy populations, for instance, be terrorised by the threat of use of weapons of mass destruction (WMD), but that the actual use of such weapons be considered only as a last resort. (Numerous WMD and their effects are sketched out in vivid detail, with the ultimate weapon – the brahmastra, for example, being described as exploding with the brightness of
'a thousand crore suns'!). According to the Puranas, the causes of war are many: aggression by another state, boundary dispute, actions prejudicial to one’s sovereignty, feelings of natural hostility, espionage, violation of treaties and disturbance of the existing *mandala* or balance of power. Morality, in this scheme of things, is a situational variable, not an absolute value. In the Mahabharata, for example, Lord Krishna addresses the wavering and morally conflicted prince, Arjuna, facing his teachers and kinfolk arrayed against him on the battlefield thus: ‘When life is in danger ... when one’s property is at stake, truth becomes unutterable and so falsehood becomes truth and truth falsehood.’ He urges the use of ‘unrighteous’ means, justifying it by saying that ‘When the number of one’s foes [becomes] great, their destruction should be effected by [all] contrivances and means.’ Lord Krishna’s bare-knuckled approach is in the context of the admonition in the *Rig Veda* to ‘destroy’ those ‘unfriendly to us’, including ‘kindred and unallied’.

For all their apparent bloody-mindedness, however, the emphasis in the Vedic texts is on peaceful means. They warn that war is only the last recourse when *sama* (conciliatory measures), *dana* (gift, aid and assistance of all kinds) and *bheda* (sowing dissension) fail, and only *danda* (punishment, acts of violence, and war) promises the desired result. The reasons for war, declares *Sukraniti*, are the accretion of territory, wealth, power and allies gained by co-opting the defeated countries with political and material inducements. War, moreover, is to be waged only after properly studying the prevailing ‘balance of forces’ and the ‘conjuncture of circumstances’ and when victory is certain.

Such principles of the ancient statecraft had two dissimilar consequences for the evolving Indian polity over several millennia. By firing up the hegemonic ambitions of every small and big ruler in the vast subcontinent, by making the realisation of such ambition a kingly ‘duty’ and by offering each the same plausible game-plan for expansion and goal realisation, they ensured perpetual strife. Thus, a socio-culturally unitary nation existed but in a perpetually politically fractured condition featuring hundreds of small, medium-sized and large kingdoms, princely states and principalities, each of them with their own slightly different ethnic mix and cultural identity and

---

8 A crore, in numerical terms, equals 10 million.
all of them exhausting themselves in endless intrigue, internecine rivalries and conflicts with each other. The whole was, thereby, rendered vulnerable to the depredations by a string of invaders from Alexander of Macedon in 322 BCE, the Umayyad Caliphate armies in 664 CE to the Mughals coming down from Central Asia and later the British venturing in from the sea.

It is a reflection of the splintered nature of the indigenous polity that in almost every instance the invader was assisted by local rulers who hoped to use the distant power signified by the foreigner to try and tilt the balance in his rivalry with the proximal adversarial state, without foreseeing the perils of this strategy in case the ambitious outsider stayed on to establish himself as the new hegemon. Thus, Alexander the Great was partnered by local Hindu kings (in what is now southern Afghanistan and northern Pakistani Punjab) in defeating the most powerful Indian sovereign in the region King Porus, in the decisive Battle of Hydespas in 326 BCE; the sword-arm of the Mughal empire in its growth stage was provided by the Hindu kings of Rajputana; and the British found local allies among the Indian rulers disaffected with the increasingly decrepit Mughal dispensation to transform a small trading outpost over several centuries into the fabled Raj. The mind of the besieged Indian ruler, in the event, when not tending to collaborationism to escape the excesses of the alien incursionist, gradually turned inward, his worldview becoming narrower, pettier. At the same time though, and notwithstanding the burgeoning diversity and pluralism as waves of invaders settled down alongside of established communities in the Indo-Gangetic heartland and in the peninsular expanse, foreign religions brought in by invaders and traders (such as Islam to the Kerala coast) got Indianised — their rituals and values taking on Hindu traits. Moreover, with masses of native converts, usually from the lower castes who had reason to escape social discrimination, the subcontinental society, with millennial memories of indecisive outcomes of incessant warring, over time subliminally internalised the pragmatic aspects of the ancient strategic methods, where more distant or more powerful nations were concerned. A latter-day manifestation of this tendency is the UPA government’s desire to placate Washington by signing the nuclear deal with the US despite some very grave nuclear security concerns. A less accommodative mindset, however, endured when it came to dealing with immediate neighbours. It made for a template of prickly co-existence marred by the occasional flare-up.
Post-1947 and Partition, the newly independent countries and mainland India and Pakistan (and since 1971, the breakaway nation of Bangladesh, previously East Pakistan), shared not just the same social and cultural milieu and overlapping populations with similar ethnic, cultural and religious identities (there are more Muslims now in India than in Pakistan, the state carved out as the homeland for ‘the Muslims of India’),

but also a unitary governmental, economic and administrative structure and space that was consolidating ever since Ashoka the Great (304–232 B.C.E) considerably extended the Mauryan empire by the sword, before discovering Buddhism, and the Mughals established their empire in the 16th century with the Timurid sultan, Babar, storming down into India from the Ferghana Valley. That, in this process, the undivided strategic space too was sundered, meant that the security perceptions and the military effort of the two largest successor states, India and Pakistan, turned against each other, their troubled relationship indicative of the sometimes tense relations between Hindus and Muslims in the larger subcontinental society pockmarked by unresolved disputes, frequent exchanges of hot words and fighting rhetoric but, characteristically, infrequent armed hostilities and that too of the tamer variety. When hostilities did break out, the ensuing wars were reduced by historical and socio-cultural predisposition and practice to uniquely controlled conflicts.

This inhibition against decimating the ‘brother enemy’ was reinforced post-independence by the concept of ‘marginal war’ that the British academic P. M. S. Blackett, 1948 Physics Nobel Prize winner and an early defence adviser to Jawaharlal Nehru, passed on to the first Indian Prime Minister. Blackett cautioned against wasting scarce financial resources in building up the Indian armed forces

---

9 The highly-regarded Pakistani columnist, Member of Parliament, and former civil servant, Ayaz Amir, argues that the overly Islamic identity of Pakistan is spurious because, he says, ‘Throughout the 800 years of Muslim history in the subcontinent Hinduism felt threatened on occasion, but never Islam. Even when the Mughal empire was in decline and different centres of power and influence were emerging across this vast and varied land, Islam was never in danger’. See his ‘Khaki Problem: Poverty of Imagination’, The News, July 30, 2010.

and conceived the concept of ‘marginal war’ to buttress his case.\textsuperscript{11} Whatever India’s military prowess, Blackett argued, in a war with a major power, such as the US or Russia, it would lose. On the other hand, however weak its military resources and plans, India would win against smaller neighbouring countries. Therefore, he concluded, India ought optimally to prepare for wars it can afford to fight, namely, ‘marginal’ wars with limited aims against a like power. After the 1947–48 operations in Kashmir, the like power-mantle was made to fit Pakistan. It is a concept that still animates Indian and Pakistani military planning – not that either country would acknowledge it – notwithstanding the fact that, India, hugely superior using any criteria at the time of Partition, has only added to its heft as a potential great power even as Pakistan lurched towards ‘failed state’ status. India’s strategic vision has remained stuck on Pakistan, however, letting the larger, more potent, threat – China – go largely unaddressed.\textsuperscript{12}

In the event, such India–Pakistan conflicts as have occurred have been wars of manoeuvre – in the inter-war German military terminology, \textit{bewegungskrieg} – except that these have proved to be nowhere as injurious to either side. Nor have they been animated by any grand objective, such as taking France out of the Second World War inside of two-odd weeks, realised by the armoured dash of the Panzer Corps under Von Manstein’s Army Group ‘A’ across the Meuse River and the Ardennes to reach the coast. In the South Asian ‘wars’, Indian and Pakistani mechanised forces, while massively deployed,\textsuperscript{13} have sought manageable counterforce tangles leading to a lot of back and forth along the border, leading in turn to the inevitable impasse in these mainly tactical contests to make at-most small theatre-level gains. These essentially force-on-force engagements may be seen as representing the chivalric code of conduct in the Vedic strategic culture that conceives ‘righteous’ war as the sum of individual combat

\textsuperscript{12} Ibid., pp. 130–31, 579.
of soldier against soldier, war elephant against war elephant, etc.\textsuperscript{14} It is a pattern evidenced in the India–Pakistan conflicts of 1947–48, 1965 and 1971.

These limited conflicts resulted, not surprisingly, in small casualty rates – the total fatalities on both sides being less than the number of deaths from ‘police action’ in either of the countries in any given year! They have taken place within a restricted geographic ambit – a narrow belt astride the border, have been constrained by time (no war has lasted more than a fortnight) and limited in their intensity (both countries preferring to build capabilities exclusively for fighting small, short duration, counter-force wars). India and Pakistan have eschewed beefing up their respective war wastage reserves and the war stocks to enable prosecution of long duration, decisive wars and used their defence allocations to acquire modern armaments and the veneer of technologically up-to-date military instead. Both sides have also scrupulously avoided civilian targeting, counter-value strikes and aerial bombardment of each other’s densely populated cities. Taking all these factors into account, military professionals on both sides concede that the late Indian scholar–soldier, Major General D. K. Palit’s description of India–Pakistan clashes as ‘communal riots with tanks’ in that they resemble riots more than they do wars, is right after all.\textsuperscript{15}

Considering that India, owing to its organic links (of kinship and shared religion and culture) with Pakistan and because of domestic political compulsions (with Muslim voters, now wielding the ‘swing vote’ in almost half of the 523 Lok Sabha – Lower House of Parliament – constituencies, who will look askance at any policy


aimed at annihilating Pakistan) has been reluctant to destroy that country by conventional military means, the possibility it will seek to do so using nuclear weapons seems very remote indeed (unless nuclear weapons use is initiated by the Pakistan Army). Besides, the consequences of dismantling would be disastrous for India. It would mean absorbing some 180 odd million Pakistani Muslims, a huge number of them radicalised – a recipe for endless civil strife. Even balkanising Pakistan would have seriously deleterious effects. Instead of one troublesome entity for New Delhi to deal with, it may have several new potentially difficult national entities to contend with, each of them seeking leverage against India by currying favour with some extra-territorial power or the other.

In this context, the Western-inspired hysteria about a ‘nuclear flashpoint’ in South Asia would appear to be motivated claptrap masquerading as objective research.\(^{16}\) Besides, if the organic links and the dangerous uncertainties of departing from the established mode of constrained wars will not deter the Pakistan Army from initiating nuclear weapons use against India when the conventional war is being lost on the ground, the prospect of a prohibitive ‘exchange ratio’ – India’s loss of a couple of cities in return for the certain extinction of the Pakistani state and society – surely will.\(^{17}\) Nevertheless, the flashpoint thesis is propagated with great verve in the West, in Pakistan, and by many Indian analysts, most of the latter either uninformed or taking their cue from the academe in the West, notwithstanding contrary experience and empirical evidence of past wars. Then again, promoting the flashpoint thesis is a matter of survival for many Washington think-tanks and university political science departments in the United States in the business of embroidering

\(^{16}\) For the case that the chances of an India–Pakistan nuclear exchange is improbable and why the usual deterrence theory paradigms do not apply, see Bharat Karnad, ‘South Asia: The Irrelevance of Classical Nuclear Deterrence Theory’, *India Review*, 4, 2 (April 2005), pp. 173–213; Karnad, *India’s Nuclear Policy*, pp. 108–33.

the American policy line and viewpoints and now even for some Indian institutions, relying on Western-sourced ‘research’ funding.\(^\text{18}\) Further, publicising this line, for instance, allows many of these Western and Indian ‘experts’ to retain access to Islamabad.\(^\text{19}\) On the flip side, even though it knows better, Pakistan frequently sounds the nuclear alarm, less because it actually fears a nuclear war or seeks to inject credibility into its deterrence posture than because it wants to firm up its leverage with its chief patron, the United States, by playing on the latter’s worst fears of a nuclear ‘Armageddon’\(^\text{20}\) and the possibility of being drawn into a ‘catalytic’ nuclear war.\(^\text{21}\) But Pakistan’s use of the asymmetric tool of terrorism is a problem that the Indian government seems unable to muster the will to tackle. Delhi has shown no stomach for imposing a heavy price on

\(^{18}\) Among Indian policy research institutions, for instance, which survive on American funds and generally adhere to the US line on arms control and non-proliferation, are the New Delhi-based Delhi Policy Group and Institute of Peace and Conflict Studies.

\(^{19}\) A director of a Washington think-tank, for instance, refused to publish as his Centre’s monograph a paper I had written in the 1990s about the organic links between India and Pakistan making for extremely restrained war-fighting and for Delhi never contemplating a ‘war of annihilation’ against Pakistan – not because it did not meet his high academic standards but rather because he feared that ‘the gates will close on me in Islamabad’!

\(^{20}\) An illustration of the kind of fright-mongering by Pakistani officials and the like as a means of getting Washington to approve a ‘nuclear deal’ like the one India secured, is a recent op/ed piece by Shamshad Ahmed, the former Pakistan Foreign Secretary, who writes that India and Pakistan ‘are facing a nuclear precipice with their future remaining hostage to a single accident or one strategic miscalculation’, and that an ‘Armageddon’ may ensue. This can only be avoided, Ahmed argues, though it isn’t clear how, by according Pakistan formal nuclear parity with India via a nuclear deal and in other ways! See his ‘Need for Even-Handedness’, *The News* (Islamabad), June 30, 2010. This ‘equality of treatment’ theme is the stock in trade of Pakistani government and analysts. See Shuja Nawaz, *Pakistan in the Danger Zone: A Tenuous U.S.-Pakistan Relationship* (Washington DC: Atlantic Council, June 2010). Shuja is brother of the former Pakistan Army chief, 1991–93, the late General Asif Nawaz Janjua.

\(^{21}\) For the argument that the chances of the US being pulled into a ‘catalytic’ nuclear war triggered by Pakistani first use are extremely low, see Karnad, *India’s Nuclear Policy*, pp. 128–30.
Pakistan by, in effect, laying formal claim to the Pakistan-held portions of Kashmir, helping the Freedom Movements in Baluchistan and the Muhajir Quami Movement spread disaffection in Karachi and the Sindh province, or publicising the automaticity of a punitive conventional military retaliatory strike in case of a terrorist attack (of the 26/11 type), and mounting targeted intelligence operations to indicate how much Pakistan stands to lose if it persists with its policy of cross-border terrorism. It will invalidate the claim by many American and South Asian academics that Pakistan-supported terrorist acts fuel the so-called ‘stability–instability paradox’ in that such acts leave India no option other than to escalate matters by initiating conventional military hostilities, thereby destabilising the existing situation. It highlights the fact that India’s strained forbearance in not reciprocating with like actions, in fact, reflects its policy generally towards troublesome adjoining nations and resembles the central government’s attitude vis-à-vis its own sometimes restless provinces on the periphery, some of them suffering from insurgencies (Jammu and Kashmir and Manipur, Assam and Nagaland in the Northeast and the Naxalite Maoist fighters in Central India) where really hard actions to eliminate the rebels are disregarded.

More significantly, such reluctance hews to the recommendation in the Vedas to deal with domestic rebels and weaker but recalcitrant neighbours in a similar manner, with a combination of the mailed fist and generous rewards. Serious disagreements between Delhi and the provincial capitals, especially those ruled by opposition parties, are the norm. However, the internal security problems created by misgovernance and the inability to deliver development, which has resulted in the people taking up arms, have been tackled by the above tried and tested if not always successful method. Thus, alongside the deployment of the army and para-military forces in

---

22 Bharat Karnad, ‘Militancy in Pakistan: Implications and Possible Strategies for India’. Paper presented at the conference on ‘Countering Militancy in Pakistan: Domestic, Regional and International Dimensions’, Centre for Muslim States and Societies, University of Western Australia, Crawley, August 3–4, 2009.

23 In a televised press conference on June 30, 2010 to release his Ministry’s Monthly Report, Home Minister P. Chidambaram restated this policy. Referring to the problem of tackling militants, he said: ‘Political action is taking place along with action by the armed forces’.
counter-insurgency operations, secessionist movements have been quelled by special development programmes, by channelling huge financial subsidies (among all the Indian provinces, Kashmir is the biggest beneficiary of central government subventions\(^{24}\)) and by offering the rebellious elements political opportunities to enter the mainstream, such as providing the leaders of insurgencies the chance to legitimately rule the states they previously sought to separate from the Union. It is a remedy that simultaneously ends uprisings, serves the desire for autonomy, and draws disaffected peoples into active national politics and the mainstream.

Thus, Lalthanhawla who led the ‘freedom fighters’ in the northeastern state of Mizoram, for example, was the elected Chief Minister\(^ {25} \) and more recently, after years of futile guerrilla wars waged against the Indian state, the United Liberation Front of Assam (ULFA) and the main Isak Muivah-faction of the militant National Socialist Council of Nagaland are preparing to negotiate peace deals with the Indian government as also their participation in state politics.\(^ {26} \) Insurgencies usually begin on a violent note, but years of facing the draconian provisions of the Armed Forces Special Powers Act induces fatigue all round and saps the will of the people to support the rebellion. The insurgents end up losing popular support and soon enough they sue for peace unless, of course, the insurgency is stoked by a neighbouring country, such as the secessionist–Jihadi

\(^{24}\) Jammu and Kashmir state relies on the Centre for some 60 per cent of its expenditure. Compare this figure with the next eight northeastern states combined, which have also been wracked by insurgencies, but look to the Federal government for subsidies amounting to 49 per cent of their expenditures. See Subodh Varma, ‘J&K Dependency on Centre Alarming’, *The Times of India*, July 19, 2010.


groups active inside Kashmir that are plugged into the Pakistan Army’s Inter-Services Intelligence Directorate support system.27

New Delhi’s attitude and policies towards the weaker countries in the ‘immediate abroad’ exactly mirror and are an extension of its punitive mindset and posture adopted vis-à-vis militant organisations.28 If the country abutting India takes care not to offend, it gains from New Delhi’s largesse. Bhutan has the highest per capita income in South Asia owing to an arrangement whereby India has already built and is in the process of constructing, at its own cost, a series of hydroelectric projects utilising the watershed resources of the small Himalayan kingdom, training Bhutanese personnel to run them, agreeing to pay a royalty and off-taking at commercial rates the electricity produced in excess of the local needs. It has ensured a steady source of large revenue and strengthened Bhutan’s stake in an entente with India. New Delhi is trying to entice Nepal with this economic–political model of pacification (involving the potential harvesting of the Mahakali River) that promises its resources for development. Elsewhere, Bangladesh under the friendly National Awami Party regime led by Prime Minister Sheikh Hasina has been rewarded with a billion dollar grant to improve its infrastructure and the renewal of railway traffic in return for letting India use the Monga and Chittagong ports for transshipping goods to the north-eastern states, clamping down on anti-India Islamic radicals29 and denying the ULFA insurgents safe haven in that country.30

---

27 The National Security Adviser Shivshankar Menon believes that the Lashkar-e-Tayyaba terrorist group is ‘fused’ operationally and ideologically with the Pakistani state. See ‘State and Terror One in Pak: Menon’, The Indian Express, July 21, 2010.

28 People in the adjoining countries like Indian films, music and cultural artifacts, but fear India. Indeed, a recent public poll by the Pew Research Center in Washington DC, indicated that a majority of Pakistanis polled perceive India as more of a threat (53 per cent) than the Taliban Islamist militant group (23 per cent). See ‘Pak Thinks India Bigger Threat than Taliban’, Hindustan Times (New Delhi), July 31, 2010.

29 The Bangladesh Supreme Court’s recent ruling returning the country to a secular Constitution and banning Islamist parties helps in this cause. See ‘Bangla Islamist Parties Face Shutdown After SC Verdict’, The Times of India, July 30, 2010.

30 See the text of the Joint Communique issued at the end of the talks that the Bangladesh Prime Minister Sheikh Hasina held with her Indian counterpart,
The Bangladeshi economist Farooq Sobhan has observed that states bordering India and wanting ‘8–9 percent growth and the status of a middle income country’ cannot do without ‘regional and sub-regional cooperation’ centering on India. Paki

tan commentators too are beginning to wonder if their country shouldn’t seek similar connectivity with India and benefit from plugging into its giant economy. A senior retired Pakistan military officer, Air Vice Marshal Shahzad Choudhry, opines that Pakistan should open itself up to trade and commerce as a means of gaining ‘leverage’ with India and attracting Indian investments in order to create jobs and spread prosperity. This will require Pakistan, he says, ‘to dump archaic notions of security and access and instead redouble efforts to channel potential in the right direction.’ It is a view that meshes with the political vision that Asif Ali Zardari articulated soon after becoming President of Pakistan. He talked of economically developing the swath of land from Gwadar to the Indian border state of Gujarat in order to ‘service’ what he called ‘the central Indian market’. The restoration of the unitary subcontinental economic space is, in any case, an end-state the economist in Prime Minister Manmohan Singh and international financial institutions devoutly desire. It falls within the ambit of the Vedic injunctions (in the sama category) to purchase the loyalty of neighbouring states with generous financial assistance and trade arrangements.

But what if an adjoining state is immune to such blandishments and is undeterred by its comparative weakness? A paper democracy, uncontrolled domestic social and religious turmoil and a Gross Domestic Product (GDP) (USD 169 billion) a quarter of the size of the market capitalisation of the Mumbai (Bombay) Stock

---

31 Dr Rashid Ahmad Khan, ‘The Imperatives of Regional Connectivity’, The Daily Times [Islamabad], June 29, 2010.


33 See the World Bank sponsored study by Sadiq Ahmed, Saman Kelegama, and Ejaz Ghani, eds, Promoting Economic Cooperation in South Asia: Beyond SAFTA (New Delhi: Sage, 2010).
Exchange notwithstanding, Pakistan unrealistically defines itself, not only as a rival to the much larger and more powerful India, but as its literal equal in every way. While the Pakistan Army’s survival instinct compels it to commit to a strategy of mutual exhaustion (in Delbruckian terms, *Ermattungsstratgie*), fortunately for it, the Indian army too has a similar outlook apparently because it politically suits the Indian government to do so. Islamabad is not above seriously discomfiting India by utilising the ‘all weather’ friendship with India’s main adversary, China. This friendship has fetched Islamabad nuclear missiles, courtesy generous and continuing transfers of nuclear military technologies, materials and expertise and has kept India strategically off-balance, increased (or so Islamabad believes) Pakistan’s regional and international relevance and relatively advantaged China. Islamabad’s canoodling with Beijing is just what Kautilya would have ordered for a weak power seeking to make the most of a bad bargaining position. Further, Pakistan, ironically, has proved a far more agile and adept practitioner of kutayuddha or covert war than India. It has cultivated and carefully utilised terrorism as a low cost asymmetric tool of war, using its intelligence assets, including the extremist Islamist groups, such as Lashkar-e-Tayyaba (LeT) staging out of Pakistan and indigenous Indian Islamic militant outfits, such as the Indian Mujahideen and the Students Islamic Movement of India and the Progressive Front of India that have, for instance, communalised the hitherto peaceful province of Kerala.

---

34 Karnad, *India’s Nuclear Policy*, p. 112.
35 Pakistanis themselves are laceratingly critical of their country. A former Federal Secretary Roedad Khan, for instance, writes that Pakistan is associated with ‘military coups, sham democracy, an accidental and powerful president, a sovereign rubber-stamp parliament, and a ceremonial prime minister’ and has become ‘not just a “rentier state”, not just a client state [but] a slave state, ill-governed by a power-hungry junta and a puppet government set up by Washington.’ See his ‘A Carnival Atop a Volcano’, *The News*, July 30, 2010.
36 Karnad, *India’s Nuclear Policy*, p. 110.
37 Kerala Chief Minister V. S. Achyetanandan has charged that the Muslim-dominated Popular Front of India (PFI) has a programme for converting Hindu and Christian youth to Wahabi Islam with the lure of money and offers of marriage, with the aim of achieving a Muslim majority state and eventual separation from the Indian Union. See C. G. Manog,
It has kept the Indian government and society anxious and unsettled regarding possible Islamic militant strikes in metropolitan areas a la the 2008 26/11 Mumbai attack\(^3\) and the Kashmir issue on the boil by orchestrating the protests in the Srinagar Valley.\(^3\) In the circumstances, Delhi, while hoping to peacefully resolve all outstanding disputes with Pakistan, has fallen back on the fail-safe policy of ‘trust but verify’\(^4\) reflecting a constant of Vedic thinking and the Nehruvian approach alike — antipathy towards immediate neighbours.

Distrust, driven by history, is seemingly the bedrock of unsettled India–Pakistan relations.\(^4\) But building trust is something Prime Minister Manmohan Singh’s Pakistan policy set out to do.\(^4\) It almost worked in 2006 when the Kashmir dispute was all but resolved in negotiations with the then President General Pervez Musharraf. The pity is that both leaders stepped back from the brink that might have fetched lasting peace — having envisaged de-militarisation; the freer movement of peoples, investments, and goods; and a formalisation of the Line of Control, which in effect would have turned it into an international boundary. The Indian leader, in a tipping of the hat to Pakistani sensitivities, also agreed to a joint mechanism ostensibly to ‘oversee’ the affairs on both sides of the border. These elements

\(^3\) ‘PFI to Make Kerala a “Muslim Country”, says VS’, *The Indian Express*, July 25, 2010.


\(^3\) See ‘State and Terror One in Pak: Menon’.

\(^4\) Manmohan Singh is quoted as saying: ‘in dealing with Pakistan, our attitude has to be trust — trust but verify. So only time will tell which way the animal will turn’. See the extracts of the Prime Minister’s June 29, 2010 press conference in *The Indian Express*, June 30, 2010.


\(^4\) See the Prime Minister’s press interview in *The Indian Express*, June 30, 2010.
could well constitute the core of a final settlement of Kashmir at some point in the future.

But neither Singh nor his advisers seem to have much of a clue about how to take on China and are reduced to following the stock Nehruvian policy that is long past its sell-by date.

**Subservience to China**

The differences with Pakistan can be resolved given time and some generosity and goodwill on India’s part because the basic ingredients for a durable peace are around.\(^{43}\) How else can one explain that India has never used so seminal a leverage as water against Pakistan and the 1960 Indus Waters Treaty has remained unviolated even during the numerous India–Pakistan conflicts and crises?\(^{44}\)

The trust deficit with China, however, seems unbridgeable, as much a result of clashing national interests and unresolved border disputes as of irreconcilable interests and mutual incomprehensibility of each other’s policy goals. The emergence of both India and China as economic powers and rivals has exacerbated the situation. New Delhi has time and again succumbed to Chinese pressures and reacted mildly to the sustained infringement, over the years, of the disputed border – the Line of Actual Control. Repeated armed intrusions led finally in April 2013 to a military face-off and diplomatic row. Beijing has also shown scant respect for Indian interests which

\(^{43}\) Some 63 years after Partition, it is amazing how often in the Pakistani newspapers the desire is expressed for re-forging old and resilient social and cultural links and having warm relations with India. This sentiment is particularly rife among the influential community of Muslims who moved to Pakistan. For a recent example, refer to Sehar Tariq, ‘Searching for Aftab Manzil’, *The News* (Islamabad), June 8, 2010.

\(^{44}\) Eighty per cent of the water in the Indus River system is allocated to Pakistan and yet this has never been used as leverage by India. Even so Pakistani paranoia of being denied water remains. See Lydia Polgreen and Sabrina Tavernise, ‘Water Dispute Increases India-Pakistan Tension’, *The New York Times*, July 21, 2010. For a Pakistani view on the sharing of the Indus waters and why the peaceable route has helped the two countries surmount potentially difficult problems, see Nauman Asghar, ‘Resolving Pak–India Water Dispute’, *The Nation* (Islamabad), June 9, 2010, http://www.pkcolumns.com/2010/07/09/resolving-pak-india-water-dispute-by-nauman-asghar/, accessed on May 17, 2012.
are to have (a) an ‘autonomous’ Tibet as a buffer, (b) Arunachal Pradesh outside the Chinese claim-line, (c) various northeastern rebels in India cut off from Beijing’s lifeline and, (d) an undammed Yarlung–Tsangpo River in Tibet guaranteeing plentiful supply of water as it becomes the Brahmaputra River on entering India.\(^{45}\) Other than belatedly acknowledging the China threat,\(^ {46}\) New Delhi has responded gingerly to the comprehensive Chinese military and infrastructure build-up in Tibet and along the nearly 4000 km-long land border and seaward, directly threatening Indian security. Other than two Light Mountain Divisions being raised for offensive warfare purposes – seven divisions short of the strength needed to give the People’s Liberation Army pause for thought – and a plan to build a network of border roads that is being implemented very slowly, there has been no matching Indian military build-up and actions and counter-measures.\(^ {47}\) Worse, by putting off resumption of nuclear testing to facilitate the nuclear deal with the United States, far from blunting its thermonuclear edge, India has allowed China to retain it.\(^ {48}\) Instead, New Delhi hopes the rapprochement with America will pay off in terms of strategic security coverage vis-à-vis China. With regard to the geopolitical shoving of India into the corner even in South Asia which Beijing has managed to insulate itself, India has reacted with little more than the usual hand-wringing and waffle.\(^ {49}\)

\(^ {45}\) As to how a dammed Yarlung–Tsangpo River could lead to nuclear war, see Karnad, *India’s Nuclear Policy*, pp. 146–49.

\(^ {46}\) Addressing the top military commanders, Defence Minister A. K. Antony said: ‘We cannot lose sight of the fact that China has been improving its military and physical infrastructure. In fact, there has been an increasing assertiveness on the part of China.’ Cited in Manu Pubby, ‘Antony Flags China’s Rising Military Power’, *The Indian Express*, September 14, 2010.


\(^ {49}\) For a take on this policy by an Indian commentator published, interestingly, in a Pakistani newspaper, see Abhishek Parajuli, ‘China’s Growing
India’s acquiescence in the Chinese take-over of the buffer state of Tibet in 1950 and Prime Minister Nehru’s deliberately meek response set the tone. Anticipating the move by Communist China to annex Tibet, the Indian Army was for a proactive policy. Following on the Lhasa-based Indian Political Agent’s report suggesting military measures to pre-empt China, Lieutenant General Sir Francis Tuker, the last British General Officer Commander-in-Chief of the Eastern Army, advised Nehru in 1947 that ‘rather than see a Chinese occupation of Tibet, India should be prepared to occupy the plateau itself.’ Such advice was ignored because Nehru had already taken to the appeasement track. Starting in the late 1940s, Nehru advocated China’s entry into the United Nations and sought assurances on Formosa (Taiwan) from the United States and the United Kingdom in the expectation that a grateful China would reconsider moving against Tibet.

Once the Chinese Red Army took Lhasa, however, the tocsin was sounded again, this time by Nehru’s senior-most cabinet colleague and a stalwart of the Freedom Movement, Home Minister Vallabhbhai Patel, known for his no-nonsense ways. In a famous letter dated November 7, 1950 to Nehru, Patel, among other things, rued the betrayal of the Tibetans’ trust and faith in India, pointed out that the Prime Minister’s numerous friendly gestures up till then had failed to allay China’s ‘suspicion’ and ‘scepticism’ about Indian motives, observed the insidious nature of ‘Chinese irredentism and Communist imperialism’ and noted both the breach in India’s security perimeter and the emergence for the first time of a security threat from the north and northeast. On a practical level, he noted the absence of ‘[c]ontinuous defensive lines’ – a fact, Patel correctly predicted, that would result in a ‘potentially troublesome frontier’ and advocated strengthening of the Indian military on an urgent basis. Aware of Nehru’s tendency to play Hamlet, he warned against vacillation and complacency and urged a cabinet discussion on an adequate response on the basis of a thorough intelligence assessment of the internal and external threat posed by China.51


50 Cited in Charan Shandilya, India–China Relations (Ghaziabad: Pandit Sunderlal Institute of Asian Studies and Supriya Art Press, 1999), p. 50.

Nehru responded 11 days later but not directly to Patel, writing instead a ‘Note on China’ to the Ministry of External Affairs (with a copy passed on to the Home Minister) laying down the guidelines for a policy that has persisted to this day. After clarifying that India recognised Chinese ‘suzerainty’, not ‘sovereignty’, over Tibet, he ruled out the possibility of any ‘major attack’ by China. Firstly, because it would necessitate, he argued, the thinning out of its forces from its ‘main front in the South and the East’ facing Taiwan and their redeployment over the harsh Tibetan terrain, which he deemed ‘inconceivable’. And secondly, owing to the rivalry between ideological blocs post-1945, he believed that a ‘world war’ would result should China attack India, which fact would deter Beijing from doing so. ‘If we . . . had to make full provisions [for such a contingency],’ he additionally noted, ‘this would cast an intolerable burden on us, financial and otherwise and it would weaken our general defence position.’ He added parenthetically that given the economically poor condition the country was in at the time, ‘there are limits beyond which we cannot go, at least for some years’ and more questionably, that ‘a spreading out of our army on distant frontiers would be bad from every military and strategic point of view.’ Subsequent Indian governments paid scant attention to his significant qualifier — ‘at least for some years’ — and invoking Nehru, stuck to the contours of a non-provocative policy long after India stopped being the 90-pound weakling that feared getting sand kicked in its face by Beijing.52

But to return to Nehru, he premised his approach on the belief that India championing the Tibetan cause would end in having a ‘really hostile China on our doorstep’, to obviate which he advocated working ‘only’ at ‘the diplomatic level’. Nehru’s stance was reinforced by the kind of advice he was getting from government economists who used the country’s impoverished condition to argue that the race with China was primarily in the sphere of economic development; a view endorsed, incidentally, by the US — the principal economic aid-giver at the time.53 Having thus dismissed the threat from China and expressed his intent to rely mostly on diplomacy to secure the nation’s interests, Nehru proceeded to make a mountain out of a molehill of a threat from Pakistan. Incredibly, he rounded on this smaller, weaker, country, until recently a part of India, as a threat

52 Shandilya, India–China Relations, Appendix I, pp. 190–93.
because of Pakistan’s refusal ‘to settle the points of issue between us’ as desired by New Delhi, which criterion fitted China better. Entirely unmindful of the huge and obvious disparities prevailing even then, Nehru stated that ‘[O]ur major possible enemy’ being Pakistan, it ‘compelled us to think of our defence mainly in terms of Pakistan’s aggression’. As if to confound his own fairly ridiculous threat perception, which has dogged the Indian Establishment’s security outlook ever since, he averred as an after-thought that ‘[i]f we begin to think of, and prepare for, China’s aggression in the same way we would weaken considerably on the Pakistan side’ and get caught in ‘a pincer movement’. 54 By inverting principles of realism and maintaining that because India was in no position militarily to confront, even less deter, China, its resources would be best spent blunting the weaker claw in the supposed pincer – Pakistan, Nehru achieved precisely the Pakistan–China nexus he apprehended.

In the circumstances that Nehru found himself in, Vedic principles (not dissimilar to the much later Western ideas of realpolitik) dictated a three-pronged approach, requiring India speedily to develop credible nuclear and thermonuclear forces to, as the Rig Veda puts it, strike terror into the heart of a powerful and seemingly undeter- rable enemy; and to enter into military alliances with a strong ‘dis- tant power’ as also with weaker states in the vicinity in a bid to ring China, the potential regional hegemon and thwart its expansionist plans. Nehru succeeded partially, but brilliantly, with the first prong. He covertly developed a broad-based and versatile nuclear energy programme, securing for the country capability to obtain both thermonuclear weapons and atomic power plants. He faltered, as did his successor, Lal Bahadur Shastri, however, in that he did not muster the will to authorise nuclear weaponisation once the war with China in 1962 and the Chinese atomic test in October 1964 provided pluperfect provocation-qua-justification for doing so.

Indira Gandhi in 1974 and Atal Bihari Vajpayee in 1998 – by not following up the nuclear tests they had ordered with open-ended testing to produce an array of advanced nuclear and thermonuclear weapons designs and by not structuring strategic forces complete with the command and control and downstream facilities, such as

54 The text of Nehru’s note on China, dated November 18, 1950, is in Shandilya, India–China Relations, Appendix II, pp. 194–97.
dispersed launch sites, silos, and mountain tunnels for invulnera-
ble storage – were just as culpable as Nehru and Shastri for igno-
rning the military imperative of fielding a safe, proven and reliable
thermonuclear arsenal when confronting the Chinese megaton
forces. This failure was especially stark in the light of the BJP Deputy
Prime Minister, L. K. Advani’s reference, presumably with some
understanding of its Vedic import, of India now possessing the
‘brahmastra’.

Nehru was, however, successful in the 1950s in garnering assur-
ances and promises from the United States and Britain of mili-
tary intervention in case of Chinese attack. The Pentagon, in fact,
planned for the ‘Defence of India’ with prospective deployment of,
among other American fighting assets, an airborne division, an air-
craft carrier task-force, an expeditionary Marine group with integral
air support and a ‘composite air strike force’ including long range
(presumably nuclear) bombers detached from the US Strategic Air
Command. In exchange, Nehru did not give up his enormously
elastic ‘nonalignment’ rhetoric and policy that permitted dallying
with the Soviet Union or his tendency to preach on a host of inter-
national issues (colonialism, racism, disarmament), which drove
Washington and London batty but which was tolerated just so India
could be counted as part of a worldwide anti-Communist front in
the Cold War.

Curiously, Nehru was disinclined to develop the third prong
against the Chinese threat: namely, forging military partnerships
with Pakistan and Myanmar and drawing Nepal into the architec-
ture, to secure the extended region against common external dan-
gers. The threat posed by China was obvious to leaders in Sri Lanka
(Ceylon) and Myanmar (Burma) and also to the Pakistan President,
General Ayub Khan, who repeatedly offered India a joint defence
pact as late as 1961. Nehru, however, summarily dismissed pleas for
collective security arrangements by Sri Lanka and Myanmar and
rebuffed Pakistan with sarcastic remarks, such as ‘defence against

Nuclear Policy*, pp. 35–49.
57 Ibid., Chapter 2.
58 Ibid., pp. 70–71.
what? For all his sagacity in crafting policies in that decade that allowed India, a then weak and impecunious state, to punch way above its weight in the international arena and to enjoy the protection of the Western strategic umbrella without suffering the downside of formal alliance, this rejection of offers of collective security by neighbouring states and particularly Ayub’s well-meaning efforts illustrated the fundamental flaw in Nehru’s strategic visioning. It presaged events that led in December 1962 to the Pakistan President ceding strategically important real estate in the northern-most part of Pakistan-held Kashmir to China in an accord the Arthashastra would have identified as adistra sandhi: of land being traded for peace. That agreement led to China’s gaining a foothold in the region and its studied cultivation of Pakistan as a staunch and wily ally. Pulling no punches, Beijing proceeded to arm its new friend with nuclear missiles and masses of conventional military hardware, enabling it successfully to fight India to a standstill and successfully stare it down in a crisis (the 2002 ‘Operation Parakram’). As a Chinese proxy, Pakistan has distracted and ‘contained’ India to the subcontinent as Beijing had hoped would happen. Islamabad, for its part, has wielded the China card alongside its use of terrorism as an asymmetric tool, to stymie India.

Elsewhere, New Delhi’s short-sighted policies have afforded China a role in South Asia. Indian insistence on democracy in Myanmar ended up ‘pushing’ that military junta-ruled country ‘into China’s arms’, its ambiguity with regard to the independent eelam (country) the Jaffna Tamils wanted to carve out of Sri Lanka forced Colombo to seek out China as counterweight and in supporting the ancien regime in Nepal, it lost the goodwill of the people hankering for change. In each instance, China gained – up to and until now,
when it has penetrated countries that should legitimately comprise an Indian ‘sphere of influence’. Worse, India remained passive even when it had opportunities and leverages it could have exploited. China, for instance, could have been stalled in the region by implementing an imaginative combination of sama, dana and bheda. India ought to have long ago strategically armed Vietnam with nuclear missiles in a tit for tat gesture and intensified its military links with countries, such as Taiwan, Japan and the Association of Southeast Asian Nations (ASEAN) states on China’s periphery.\(^\text{63}\) It should have moved aggressively to win over Myanmar by giving arms aid, thereby playing on its traditional fear of China and offered other states in the vicinity similar military help and generous economic terms – free trade agreements (FTAs) on a bilateral basis if the multilateral South Asian Association of Regional Countries (SAARC) was considered too cumbersome, generous grants-in-aid for infrastructure build-up, technology transfers and technical assistance of all kinds. It could have pushed the Indian private sector into making large cross border investments (as is starting to happen in Bangladesh and Myanmar) and subsidised the sale to all these countries of Indian-manufactured capital industrial equipment as part of its development aid programmes and involved them in joint prestige projects.

The necessity of such actions has been belatedly recognised by New Delhi, which appears to have finally woken up to the inroads made by China over the years in these countries, except that now the Indian assistance programmes are on the recipients’ terms.\(^\text{64}\) Even so, it has yet to begin encouraging Pakistan’s move towards a more neutral position by addressing Islamabad’s security concerns – for instance, by unilaterally withdrawing the nuclear capable, short-range, liquid-fuelled Prithvi missiles from its western border (this would not hurt Indian security because all Pakistani targets are within reach of the longer-range Agnis) and by more substantive actions such as restructuring the Indian tank and mechanised forces into a single, largish, armoured corps and the surplus material and manpower used to constitute two additional offensive mountain corps against China. These measures would immediately impact Pakistani perceptions for the better. If they were followed up with,

\(^{63}\) Karnad, *India’s Nuclear Policy*, pp. 29–33.

say, offers of an unconditional and unilateral free trade pact to create stakeholders in Pakistan, Islamabad would find it very difficult to continue in its adversarial mode.\textsuperscript{65}

Instead, however, the Indian government remains niggardly and nitpicking, its big-brother attitude offending states and predisposing them favourably towards China. New Delhi’s policy is exactly the reverse of what Beijing has done, leading to China’s burgeoning economic and political profile in South and South East Asia and its growing military and naval presence in the Indian Ocean region and the littoral. Berthing rights for merchant ships that are perhaps convertible to military use may have been secured by Beijing in Hambantota in Sri Lanka and in the Maldives, Coco Islands in Myanmar and the Gwadar port on Pakistan’s Baluchistan coast, enabling the Chinese navy and airborne rapid reaction forces to embark on distant operations in the Indian Ocean area. India did not follow the obvious course that \textit{Arthashastra} and common sense suggest of creating dissension in the enemy ranks by covertly cultivating the Uighur Muslim groups active in Xinjiang and studiously nursing the ‘Tibet card’ by mobilising recruits from the exile community in India for guerrilla warfare inside Tibet, maintaining an aggressive intelligence presence on the Tibetan plateau and a capacity to mobilise the Tibetan people against the Chinese with the goal of raising the costs to China of occupation. New Delhi, moreover, should by now have begun to question the ‘one China’ idea and begun championing independence for Tibet in direct response to Beijing’s deliberate dithering over the status of the Indian province of Arunachal Pradesh and Indian Kashmir and helping the northeastern rebels. This would have amounted to a substantive payback.\textsuperscript{66} It is these sorts of actions that would have riled Beijing into over-reaction and into making mistakes, which could then have been used as a wedge for further exploitation. Tibet is a critical unused leverage, but a wasting asset, considering that the Dalai Lama, who could have in his own inimitable fashion spearheaded this effort, is now 79 years of age.\textsuperscript{67}

\textsuperscript{65} These were ideas first mooted by this author. See Karnad, \textit{Nuclear Weapons and Indian Security}, p. 577.
\textsuperscript{67} On the use of the ‘Tibet card’, see Karnad, \textit{India’s Nuclear Policy}, pp. 144–45.
In other words, India should have countered the multi-layered Chinese policy of pacifying neighbouring states with economic inducements and transfers of military hardware, drawing an ever-growing circle of South Asian countries into China’s orbit, with its own parallel policy, relying on like means. While maintaining high levels of trade and commerce with China and co-operating with it in multilateral forums on issues where interests converge, such as on climate change and the Doha Round, for example, India ought to have transferred strategic armaments to states on the Chinese periphery such as Vietnam, pounced relentlessly on every small military, economic, diplomatic and political Chinese misstep to embarrass and show up China everywhere in the world, but especially in South and Southeast Asia. Loudly professing Sino-Indian friendship while discomfiting China in every way possible should have been (and ought to be in the future) the main Indian foreign and military policy thrust. Instead, Indian governments from Nehru’s days have done precious little, permitting Indian interests to erode, in many respects, precipitously.

A passive-defensive approach to China has calcified into the worst manifestation of the over-cautious Nehruvian perspective that the Vedic texts would have excoriated. The picture of India as a Chinese punching bag is reinforced by the neo-colonial pattern of the Sino-Indian trade with Indian raw materials (such as coal, iron ore, other minerals, leather, cotton, and gems among others) constituting the bulk of exports to China in return for mainly Chinese light manufactures and capital goods (such as modern telecommunications equipment) in bilateral trade that touched USD 65 billion by 2011.68

Subsidiary Ally of the United States

India’s strategic reduction by China can reasonably be sourced to Nehru’s pusillanimity. But, easing relations with the United States on American terms is the work of successive governments in recent times. It is a process begun by the Congress Party Prime Minister P. V. Narasimha Rao in the early 1990s as a way of broadening

---

India’s options post-Cold War. The successor Bharatiya Janata Party regime advanced towards this goal in the belief that India could not handle China alone and needed sophisticated technology, trade, and capital from the US to bring India up to speed. Prime Minister Manmohan Singh has pushed these policies to a point where he sees rapprochement with the United States as the answer to India’s myriad ills and believes the price India is asked to pay in terms of hobbling its strategic capabilities is bearable.

In the longstanding debate on ‘sequencing’ in official circles since Indira Gandhi’s time, the former economist-bureaucrat Dr Singh has been on the side contending that India ought to first become a meaningful economic power before acquiring matching military muscle.\(^6^9\) Predictably, he saw in the US an all-purpose solution to achieve not just fast-paced economic growth and technological advancement but also greater international prominence. Manmohan Singh’s policy suppositions were for India to prosper, with the now liberalised export-driven Indian economy needing to service the Western markets.\(^7^0\) As the source of direct and indirect investment capital (through the World Bank and the International Monetary Fund), a well-disposed Washington would help build up economic infrastructure. And US high technology was believed crucial to updating Indian industrial capabilities and spurring economic growth.

While India’s geopolitical value as a counterpoise to China in Asia motivated Washington, New Delhi had to be accommodating on the non-proliferation issue for it to get traction in Washington. This last was the ground that first began to be prepared by Narasimha Rao, with nuclear tests in the mid-1990s cancelled when Washington remonstrated. Vajpayee ordered the series of five test explosions in 1998 and to mollify Washington quickly, announced a voluntary suspension of testing, heedless of its consequences on the quality of the Indian thermonuclear deterrent. The hydrogen device tested having proved a dud, what was in fact mandated iterative testing of fusion weapons designs to ensure the country has a consequential strategic arsenal.\(^7^1\) Be that as it may, America had so long been demonised in India that it was not easy for any of these

\(^7^0\) Sanjaya Baru, ‘Credibility crunch’, *The Indian Express*, August 20, 2013.
\(^7^1\) Ibid., pp. 398–405.
Indian governments led by various parties to immediately switch plans, reverse gears, and fast-forward relations simultaneously. The 19 rounds of ‘strategic dialogue’ between Prime Minister Vajpayee’s representative, Jaswant Singh, and President Bill Clinton’s Deputy Secretary of State, Strobe Talbott, led to better appreciation of each other’s systemic constraints and the limits to which either side could be pushed on sensitive strategic issues.  

It was Prime Minister Manmohan Singh, however, who acted with surprising alacrity but apparently little concern for national security interests. Motivated by his personal conviction that acquiring economic heft in exchange for curbs on Indian strategic capability was a good bargain, the test for the prime minister was to deliver the civilian nuclear deal, which achieved for the US its long-cherished goal of bringing the Indian nuclear energy programme within the purview of the 1968 Non-Proliferation Treaty (NPT). The Nuclear Suppliers Group approval for imports by India of light water reactors and enriched uranium fuel, supposedly to reduce the energy shortages, followed.

Manmohan Singh’s mantra to try and sell the deal in Parliament and to the Indian people, ignoring its high price, was ‘20,000 megawatts by 2020’. As many of the critics of the nuclear deal had warned, this deal entails diversion of financial and human resources from the original ‘Bhabha plan’ (relying on the ‘plutonium economy’ based on the country’s abundant thorium reserves – fully 30–40 per cent of the world’s stock – and progressing in three stages towards energy sufficiency, from natural uranium reactors, to plutonium breeder reactors, to thorium reactors), to the ‘uranium economy’ and dependence on imported reactors and fuel. Thermonuclear weaponisation is in limbo because the no-testing predicate of the nuclear deal freezes the quality of the deterrent at the level of a flawed hydrogen weapon design. Further, weapon-grade plutonium production is now limited to just eight pressurised heavy water military use-designated reactors, thereby restricting the surge capacity and the size of the Indian nuclear force. The integrity of the dual-use Indian nuclear energy programme, moreover, is undermined by its separation into civilian and military streams, with facilities in the former going under

---

international safeguards. By these various means, India’s strategic independence and wherewithal have been weakened with little compensation. India’s promised recognition as a nuclear weapon state under the NPT has not happened. Moreover, it is unlikely that 20,000 MW of nuclear-sourced electricity will show up in the grid even by 2040 or 2050. Finally, in accordance with the deal, Indian foreign policy now has to conform to America on issues such as Iran, which will hugely limit Indian foreign policy options.  

The larger geopolitical imperative, as per the _Arthashastra_, to partner a powerful extra-regional country like the United States to contain the regional hegemon, China, as backdrop for the present Indian policies is all very well. But this deal is not the _swarna sandhi_ that the ancient Hindu texts praise as an accord between equals. Neither is it a _karma sandhi_ or an agreement for common gain – in this case, containment of China, because the Indian and US governments seem in their different ways to be avoiding conflict with Beijing. It is an aim that Delhi, in any case, appears reluctant to realise by more discriminate and targeted strategic engagement with the US because it is unable to see that Washington’s eagerness to retain its predominance and therefore to curtail China’s increasing military and economic reach and clout equals (if not) surpasses India’s interest in strategically hampering China’s rise by whatever means and to whatever extent. This differential in the preferred outcomes endows India with leverage that New Delhi has so far been loath to recognise, let alone exploit. As a result, better terms in the US–India ‘global partnership with strategic significance’ that National Security Adviser Shivshankar Menon claims is now in place have not been secured and no effort has been made to exacerbate the growing

---

73 These and many other deficiencies and drawbacks of the deal were pointed out by a few who opposed it all the way from the Joint Statement in July 2005 to the Manmohan Singh government’s seeking parliamentary approval for it in mid-2008 and beyond. For writings against the deal by its main critics, see P. K. Iyengar, A. N. Prasad, A. Gopalakrishnan, and Bharat Karnad, _Strategic Sellout: Indian–US Nuclear Deal_ (New Delhi: Pentagon Press, 2009).

Sino-American politico-military and economic rifts in order to increase India’s strategic leverage with both these states.\footnote{Former Foreign Secretary Shyam Saran has suggested enlarging the proposed East Asia Summit to include the United States and Russia, contrary to what China wants. See Shyam Saran, ‘India Needs to Have Sharper Focus’, \textit{The Business Standard}, July 16, 2010.}

**Conclusion**

China’s rise has been ‘peaceful’ only because it has not been contested by India – the Asian country with the most to lose by not doing so, or by the United States, which now has a genuine peer competitor. The Indian government’s mindless preoccupation with Pakistan and its policy of hamstringing the development of its thermonuclear force is short-sighted.

These failures are particularly galling because in the harsh and unforgiving world of international relations, the sharp-edged Vedic \textit{machtpolitik} inhering in the ancient Indian statecraft and in the ‘living traditions’ offers an alternative, potentially more successful, policy path. Among the many Vedic axioms, the following three are central to India’s concerns: (a) Never compromise one’s interests to serve those of a distant power; (b) prevent, by any and all means, the rise of a rival state in the vicinity as \textit{chakravartin} (hegemon) because not doing so will not only hurt the chances of improving one’s own relative status but also disturb the existing \textit{rajmandala} (balance of forces in the international system) to one’s detriment; and (c) win over and co-opt countries in an ever-widening circle by judicial use of hard and soft power and where weaker states are concerned, by generous trade terms, schemes of huge grants-in-aid and unconditional transfers of Indian-manufactured military hardware. This is both to bring down the unit cost of equipment purchased by the Indian Armed Forces and to connect these countries to a reinvigorated Indian defence-industrial complex and Indian security architecture.

The fact that these axioms are not being followed in no way detracts from the salience of the Vedic strategic culture that, perhaps, remains as a pentimento in the South Asian peoples’ consciousness subliminally affecting policy-makers – something that may be fleetingly glimpsed in policies and pronouncements by Indian political leaders. But it is true that Vedic thinking has not formally shaped
Indian policies, with Prime Ministers from Nehru to Manmohan Singh behaving as if overawed by the country’s obvious shortcomings rather than acting on the basis of its burgeoning self-confidence and obvious strengths. This is the result of decades of diffidence and status quo-ist thinking by several generations of political leaders conditioned by the country’s past, first as a colonial dependency and post-1947 as a habitual laggard and under-achiever.\textsuperscript{76}

Animated by a mixture of lassitude, lack of confidence and an over-cautious and risk-averse calculus, India’s counter-productive Pakistan policy when juxtaposed against its deferential attitude towards the United States and China reflects the core failure of its strategic policies. Further, as the only Asian country with the requisite attributes and potentially comprehensive heft and resources to be a credible counterweight to China, India has disappointed smaller Asian states who are understandably apprehensive of rallying to its side because they see New Delhi as a woolly-headed, weak-willed, wimp of a state, incapable of firming up a front and leading it and otherwise taking the fight to the ‘big dragon’.

India is an elephant only in size. Owing to its foreign and military policies devoid of strategic visioning and weight and its approach bereft of the rock-hard principles of realpolitik in Vedic statecraft, it has contrived for itself a negligible impress — a very small footprint, in the region, in Asia and in the world. Its over-cautious, ‘safety first’, attitude may have now and then won India respite from immediate tensions and troubles with China and the United States. But it has also pushed back realisation of its entirely legitimate great power ambitions.

\textsuperscript{76} For a sample commentary that lauds India ‘working within its limitations’, see Bhanu Pratap Mehta, ‘The Great Gameplan’,\textit{ The Indian Express}, July 22, 2010.
India’s Search for a Post-Cold War Foreign Policy
Domestic Constraints and Obstacles

Arijit Mazumdar
arijit_mazumdar@stthomas.edu

Abstract
During much of the Cold War, India chose to pursue a non-aligned foreign policy posture. The collapse of the Soviet Union and the end of the Cold War forced India to redefine its foreign policy and search for a new place in the emerging international order. However, almost 20 years on, India’s foreign policy still appears to lack a coherent strategic doctrine. This article identifies some of the domestic factors that hampered the development of a post-Cold War ‘grand strategy’. It argues that the emergence of coalition governments at the national level since the early 1990s, the country’s federal structure, weaknesses in India’s foreign policy institutions and the lack of a strategic culture within the country together constrain India’s search for a post-Cold War foreign policy.

Keywords
India, foreign policy, non-alignment, coalition governments, federalism, foreign policy institutions

Introduction
India’s independence in 1947 coincided with the onset of the Cold War. Having just secured independence from Britain after more than a century of struggle, India was anxious to preserve its freedom of action at the international level. As such, it adopted the doctrine of non-alignment and refused to join either the American or the Soviet alliance. It was hardly surprising that the country’s foreign policy was influenced by the emergent international order. Like other Third World countries, India’s foreign policy was reactive in nature, guided by global changes and transformations. However, despite professing non-alignment, it was not averse to developing close relations with either superpower. For example, during the 1970s and 1980s, India drew increasingly closer to the Soviet Union.

The collapse of the Soviet Union and the end of the Cold War forced India to redefine its traditional foreign policy of non-alignment. India improved its relations with the US and other Western countries. It also established formal diplomatic relations for the first time with Israel and South Africa. At the same time, it attempted to rebuild its relationship with China and Pakistan. Finally, the desire to attract foreign
investment and the quest for oil and natural gas led to greater international engagement with Asian and African countries it had previously ignored. However, 20 years on, India is still trying to figure out its position in the contemporary international system and its foreign policy still appears to lack a ‘grand strategy’ (Chiriyankandath 2004; Grover 2001; Hilali 2001; Mehta 2009; Mohan 2004; Pant 2008; Tanham 1992; Thornton 1992). While the goal may be clear—become a great power and play a key role in international peace and security—the lack of clarity regarding the overall framework of foreign policy, that is, the lack of a grand strategy, is problematic.

This article identifies some of the domestic factors that hampered the development of a grand strategy since the end of the Cold War. The domestic factors included the emergence of coalition governments at the national level since the early 1990s, the country’s federal structure, weaknesses in India’s foreign policy institutions and the lack of a strategic culture within the country. Together these factors complicated India’s search for a post-Cold War foreign policy framework.

For the purposes of this article, the term grand strategy is defined as the coordinated and integrated use of the political, economic, military, social and cultural instruments of power available to a country to advance its national interests. It is a means to achieve a particular objective. Therefore, it assumes that the objectives are clearly defined. However, an important characteristic of any grand strategy is that it should be sufficiently flexible so as to allow the country to respond to changes in the international milieu. As such, this article also assumes that an Indian grand strategy will enhance, not constrain, the range of choices available to the country’s policy makers.

Before moving forward, it is necessary to clarify that this article does not claim to offer any observations regarding the kind of grand strategy India should employ to achieve its objectives. In addition, this article focuses solely on domestic factors and does not delve into the external/systemic factors that constrain the development of a grand strategy. This certainly does not mean that external factors are irrelevant. However, due to limitations of space it is not possible to outline all the factors responsible for lack of development of a grand strategy. Finally, the domestic factors outlined here are not exhaustive but were chosen because they were believed to be the most significant.

The next section details India’s traditional foreign policy of non-alignment during the Cold War. Following this, the changes in Indian foreign policy brought about by the end of the Cold War are outlined. This section also provides evidence of the lack of a grand strategy. Finally, the domestic factors responsible for the lack of grand strategy are outlined in detail.

India and Non-alignment

A country’s foreign policy flows from multiple sources—the personal characteristics and world view of its individual decision-makers, domestic politics, cultural factors and the structure of the international system.1 A combination of individual, national and systemic factors influences a country’s foreign policy choices (Waltz 1996). India is no different in this regard. At the individual level, the contribution of India’s first prime minister and principal architect of the country’s foreign policy, Jawaharlal Nehru, cannot be overstated.2 The term ‘non-alignment’ itself was coined by Nehru in 1954. He established ‘non-alignment’ and ‘peaceful coexistence’ as the twin pillars of Indian foreign policy.
Nehru believed that non-alignment was both a strategic as well as principled choice calculated to enhance the prospects of international peace and advance India’s national interests. For Nehru, the choice of non-alignment made eminent sense. According to him, ‘India is too big a country herself to be bound down to any country, however big it may be…. [W]hile remaining quite apart from power blocs, we are in a better position to cast our weight at the right moment in favor of peace’ (Norman 1965, 468). He was also concerned that membership in any power bloc would draw critical resources away towards defence spending (Ganguly and Pardesi 2009).

Nehru’s expertise in international affairs, his nationalist credentials, his leadership of the Congress Party and the national government and his assumption of the position of foreign minister (in addition to being the prime minister) allowed him to play a central role in formulating India’s early foreign policy. Later prime ministers, to a lesser extent, also played an important role in India’s foreign policy. For example, while keeping non-alignment as the central framework of India’s foreign policy, Indira Gandhi worked towards building closer relations between India and the Soviet Union. However, it must be noted that even though Nehru had his way on defining India’s early foreign policy, there was little in the way of a national consensus on foreign policy after independence. As Mohan (2009) points out, the members of the Indian political elite often disagreed with each other regarding the nature of the international system, foreign policy priorities, the nature and hierarchy of external threats and the designation of friends and enemies.

India’s adoption of the doctrine of non-alignment was, in part, the result of its colonial history. Having achieved independence after a long and painful struggle, India was loath to join either bloc and attempted to chart an independent path in international politics. Although a democracy, India was hesitant to join the US-led Western alliance because of its tendency to link capitalism with imperialism. In contrast, India’s shared history of colonial struggle with other Third World countries facilitated cooperation with these newly independent countries. Non-alignment was also in harmony with India’s historical and cultural legacies and conformed to the country’s Gandhian heritage (Ganguly 2010).

According to the realist tradition in international relations, systemic constraints determine the behaviour of countries. The structure of the international system forces countries to adopt a particular set of policies in line with their relative position in the international system (Gilpin 1981; Mandelbaum 1988; Waltz 1996). Non-alignment seemed an appropriate choice for India considering its relative material and military weakness during the Cold War compared to other major powers. Non-alignment acted as a ‘force-multiplier’ and allowed it to play a far more significant role in international politics than its limited capabilities would support. It provided a framework within which India could exert influence and leadership over the Third World (Thornton 1992).

The choice of non-alignment dovetailed nicely with India’s decision to adopt a planned economic development model. Restrictions on foreign investment and high tariffs on imports reduced external involvement and intervention in India’s economy. Non-alignment also allowed India to receive foreign aid from the West and political, diplomatic and military assistance from the Soviet Union. India’s foreign economic policy during the early decades after independence, therefore, combined the principles of non-alignment and economic self-reliance (Kale 2009).

Nehru’s philosophy of international relations was codified in the Non-Aligned Movement (NAM), an international organisation he helped establish in 1961. Countries that rejected the idea of joining power blocs and declared their desire to follow a ‘middle path’ were invited to join the NAM. Although strict
non-alignment meant not getting overtly close to any superpower, in practice, India was not averse to doing so if the situation warranted. During the Suez affair of 1956, Nehru condemned Western intervention in Egypt (India’s partner in the NAM), while withholding criticism of Soviet intervention in Hungary during the same year. In the same way, as the full magnitude of its disastrous 1962 border war with China became apparent to Nehru, India drew closer to the US. Initially, the US supplied India with military aid and the possibility of greater Indo-US engagement in the future appeared to be a distinct possibility. However, the US became increasingly preoccupied with the Vietnam War and such an eventuality was nipped in the bud.

Later, as the US established diplomatic relations with the People’s Republic of China, increased military assistance to Pakistan, and voiced its support for the Pakistani military regime’s crackdown against Bengali nationalists in the eastern half of the country, an increasingly insecure India looked to the Soviet Union for support. The two countries eventually concluded the Indo-Soviet Treaty of Friendship and Cooperation in March 1971. Over time, the Soviet Union emerged as an important source of economic assistance, military equipment and market for India.

In addition to seeking a strong relationship with the Soviet Union, India also carried out a nuclear test in 1974. Similar to the partnership with the Soviet Union, the test was a way to enhance its international status and a response to the emerging China–Pakistan defence cooperation. The 1960s and 1970s thus witnessed a virtual abandonment of the stand of strict non-alignment. India and the Soviet Union continued to share a close relationship until the latter’s collapse in 1991.

Strict adherence to the doctrine of non-alignment was, therefore, not without its challenges and appeared difficult to sustain given the transformations of the international system. After initial enthusiasm regarding the NAM, Nehru himself became increasingly disillusioned and frustrated with the organisation and concerned at the direction it was taking (Rubinoff 1991). The sheer size of the organisation and disparate interests of members made it difficult to present a united front. The organisation soon became a forum for countries to air their differences and publicly criticise each other.

Differences within the NAM came to the fore when the Soviet Union invaded Afghanistan in 1979. While Muslim members opposed the invasion, other countries like India cautiously supported it. Cuba’s entry into the organisation, despite its close alliance with the Soviet Union, also served to discredit the NAM. Lack of support from its Asian and African allies vis-à-vis China, Nehru’s death in 1964 and transformations in the international order forced India to reassess its relations with the organisation (Rubinoff 1991). For instance, in the aftermath of the oil shocks of the 1970s, India moved away from its traditional Arab partner Egypt and sought closer relations with oil-producing countries in the Middle East, even as Egypt itself became more closely aligned with the Western bloc in the aftermath of the Camp David accords.

The collapse of the Soviet Union dealt a massive blow to India. Since the 1970s, India had become increasingly dependent on the Soviet Union for diplomatic, economic and military assistance. By the end of the Cold War, differences between Third World countries and India’s economic troubles had exposed the limitations of Nehru’s vision. While Nehru’s goal of Third World unity and recognition of India as a major player in international politics appeared increasingly elusive, the ‘grand strategy’ of non-alignment itself was subject to severe challenges from the international system. The increasingly strong relationship with the Soviet Union was actually a reflection of the limitations of non-alignment. However, the end of the Cold War and the collapse of the Soviet Union would again force India to reorient its foreign relations.

India and the Post-Cold War Era

With the collapse of the Soviet Union and the transformation of the global order, India lost an important supplier of military hardware, diplomatic protection in the United Nations Security Council in the form of the Soviet veto and its most powerful partner (Hilali 2001). This coupled with the loss of preferential access to Eastern European and Central Asian markets and a balance of payments crisis precipitated by the oil price spike due to the first Gulf War forced India’s policy makers to dramatically revise India’s economic and foreign policy (Mohan 2006; Thakur 1992).

On the economic front, the incumbent government initiated a market-oriented reforms process that involved, among others things, the devaluation of the currency, easing of trade and foreign investment regulations and the liberalisation of the financial sector (Chiriyankandath 2004). The reforms resulted in substantial changes in India’s economic interactions with the outside world. Some even argued that Indian diplomacy in the post-Cold War era focused on economic issues more than political matters (Kohli 1993; Rana 2002). On the foreign policy front, there was broad agreement that the demise of the old order provided India with greater flexibility to formulate changes to its traditional foreign policy (Pant 2008). Many believed that non-alignment had lost its meaning and appeared irrelevant in an international order where there was only one superpower (Ganguly and Pardesi 2009; Gordon 1997; Thakur 1992).

Mohan (2004) lists the most important changes in Indian foreign policy during the 1990s: the increasing emphasis of economic interests in foreign policy, the abandonment of an idealistic foreign policy symbolised by non-alignment, the primacy of national interest in foreign policy decision-making and a rejection of reflexive anti-Americanism. The last was probably one of the most important shifts required in Indian foreign policy as it adapted to the new international order.

India had to build a new relationship with the US after years of cozying up to the Soviet Union. Although the process was slow and incremental, the two ‘estranged democracies’ have drawn progressively closer since the 1990s. The factors responsible for this trend included the economic rise of India and its attractiveness to US multinationals as an investment destination, expansion of Indo-US bilateral trade, outsourcing, the success of the Indian diaspora in the US, President Clinton’s successful visit to India in March 2000, the Indo-US civilian nuclear deal and a shared interest in maintaining international peace and security and combating international terrorism (Chiriyankandath 2004; Kux 2002). After years of ambiguity during the Cold War regarding its nuclear programme, India chose to carry out a series of nuclear tests in 1998 and declared its intention to become a nuclear weapons power. India’s decision to torpedo the international nuclear non-proliferation regime was the final nail in the coffin of Nehru’s dream of nuclear disarmament and drew international condemnation. Ironically, after initial problems, India’s nuclear tests actually led to greater engagement with the US (Chiriyankandath 2004).

The changing international climate also meant changes to India’s policy towards the Middle East. Since the 1990s, economic and energy considerations have dictated India’s policy more than the rhetoric of the past (Kumaraswamy 2008). Although India did not abandon its traditional support for the Palestinian cause, it established full diplomatic relations with Israel in 1992. Since then, Indo-Israeli cooperation has spanned diverse sectors like defence, intelligence sharing, trade, agriculture, science and technology and space exploration.

In addition, India began to pay greater attention to Southeast Asia and the Far East (Sikri 2009a). Earlier, India viewed Southeast Asia through the prism of the Cold War and trade and economic
interactions with the region was miniscule. Since the 1990s, expanding trade links led to greater engagement with the region, described as the ‘Look East Policy’ (Baru 2006). The dramatic expansion of India’s trade with East and Southeast Asia was coupled with an equally dramatic reduction in trade with Eastern Europe and Russia and reflected India’s global reorientation (Gordon 1997; Kale 2009). India has since utilised bilateral as well as regional and sub-regional institutions in pursuing relations with these countries (Sikri 2009a).

India has also attempted to improve its traditionally thorny relations with China and Pakistan. The post-Cold War era offered India and China the opportunity to strengthen bilateral ties. The phenomenal rise of China made it imperative for India to pay more attention to relations between the two countries (Thornton 1992). Both countries have held several rounds of talks to settle the border dispute. The two countries have also cooperated in international forums on issues like international trade and climate change. By 2008, China had become India’s largest trading partner. India has tried to display greater sensitivity on the Tibet issue by restraining Tibetan nationalists, residing within its territory, from carrying out anti-China political activities.

However, progress has been slow. Relations between the two countries worsened after India cited the threat from China as the primary reason for conducting nuclear tests in 1998. After 14 rounds of border talks, India and China appear to be no closer to settling their border dispute. In recent times, relations have soured because of the Chinese government’s decision to issue stapled visa to Indian citizens born and residing in the state of Jammu and Kashmir (Yardley 2010).

Relations with Pakistan remained tense as the two countries locked horns in several multilateral institutions over Kashmir. India blamed Pakistan for fueling the Kashmir insurgency and despite periodic attempts to resolve long-standing differences, most notably during Atal Behari Vajpayee’s tenure as prime minister from 1999 to 2004, little progress was achieved.

During the Cold War, opposition to colonialism and racism shaped India’s interactions with Africa. Nehru supported African national struggles against European colonialism. With the completion of the process of decolonisation in the continent and the demise of the apartheid regime in South Africa, both issues lost relevance. In the aftermath of the Cold War, the quest for natural resources and business opportunities were the driving force behind India’s engagement with African countries (Pham 2007). India has invested heavily in oil and natural gas resources not only in Africa but also other parts of the world. As the Indian economy grew rapidly following the end of the Cold War, the search for raw materials forced India to develop ties with countries hitherto at the margins of its strategic thought (Madan 2010). Some have argued that India’s energy and resource requirements were the primary factors responsible for the reorientation of India’s foreign policy (Pardesi and Ganguly 2009). Others argued instead that energy diplomacy constitutes just one facet (albeit an important one) of India’s engagement with the outside world, including Africa (Madan 2010; Pant 2008).

The expanding relationship with regions as diverse as the Middle East, Southeast Asia and Africa reflected a more pragmatic and interest-driven foreign policy (Mohan 2004; Rana 2002). However, the apparent reorientation of Indian foreign policy did not signal the development of a new strategic framework in place of non-alignment. While there was some consensus that the old framework of non-alignment was outdated and that India’s policies were less idealistic and doctrinaire, there was little agreement among India’s elites as to what kind of grand strategy should be adopted in the post-Cold War era (Pant 2008). Many lamented the absence of a foreign policy framework (Mehta 2009; Mohan 2004; Pant 2008; Tanham 1992). There have been a series of changes in India’s relations with the US, China,
Southeast Asia, Middle East and Africa, but these changes appeared to be incremental moves and not a fundamental restructuring that was necessary in the post-Cold War era (Thornton 1992).

The absence of a foreign policy framework is clearly evident in India’s dealing with the outside world. Despite the reorientation in India’s relations with the international community, there is little clarity with regard to Indian foreign policy. Some argued that Indian foreign policy remained directionless even a decade after the collapse of the Soviet Union (Grover 2001). Differences among India’s elites with respect to the country’s relations with China, Iran, Israel and Afghanistan were easily noticeable (Jain 2004; Kumaraswamy 2008; Pant 2009). Others argued that there was no coherent policy shaping its energy diplomacy and its search of energy resources had led to only a modest reorientation of foreign policy (Blank 2003; Madan 2010). Ganguly (2003) argued that the reorientation of broader foreign policy priorities itself was a slow and half-hearted process. As such, there appears to be broad consensus regarding the absence of a framework structuring India’s relations with the international community after the end of the Cold War.

What explains the lack of a grand strategy? The subsequent sections offer some insight into why India lacks a grand strategy.

**Grand Strategy, Indian Foreign Policy and Domestic Constraints**

Although no single theory can explain the linkages between domestic politics and foreign policy, the belief that countries with different domestic political structures and arrangements respond to the constraints of the international system with different foreign policy strategies is widely recognised. Theories like Putnam’s (1988) ‘two-level games’ and Tsebelis’ (1990) ‘nested games’, which argue that foreign policy makers simultaneously cope with the pressures of the domestic and international environment, form the basis of domestic explanations of foreign policy. Hagan’s (1995) summarisation of studies examining the linkages between domestic politics and foreign policy indicates that pressures of domestic politics influences a country’s response to international crisis, shapes the restructuring of foreign policy in light of global changes, influences the development of aggressive and militant foreign policies and indicates the likelihood of them initiating wars with other countries. According to Hagan (1995), foreign policy is influenced by the domestic political structures and configurations of the national government, including political actors like parties, institutions and factions.

In the background of the literature on the linkages between domestic politics and foreign policy, this section will examine the domestic factors, namely, the emergence of coalition governments at the national level since the early 1990s, the country’s federal structure and the weaknesses in India’s foreign policy institutions and the lack of a strategic culture within the country.

**Coalition Governments and Foreign Policy**

Significant changes have occurred in Indian electoral politics during the past two decades. The most permanent of these changes involved a departure from the dominant-party system under Nehru’s Congress Party during the early 1990s. The transition to a truly multi-party system was, however, gradual in
nature, spread over a period of 60 years. A central feature of Indian politics from 1989 onwards involved: (i) the emergence of regional and state-level parties, (ii) coalition governments at the national and state level, (iii) the salience of identity-based politics at the national level and (iv) the prioritisation of state-level factors at the expense of national priorities by voters in general (national) elections. In addition, the country also witnessed changes in the nature of centre–state relations, which had implications for the country’s foreign policy (discussed in the next section). By the end of the 1996 general elections, it was clear that the era of one-party dominance of the Congress Party had given way to coalition governments.

The change from a dominant party system to coalition politics had implications for the country’s foreign policy. The comparative literature on the linkages between changes in political regimes and foreign policy restructuring in Third World countries is extensive. The influence of coalition politics on India’s foreign policy may be understood in light of the theories of coalition formation and their durability and foreign policy-making in coalition and single-party cabinets. As India entered an era of coalition politics, the process of decision-making in foreign policy underwent some changes. During the time Nehru was prime minister, foreign policy-making was more centralised. Nehru’s stature and the dominant position of the Congress Party facilitated the adoption of the doctrine of non-alignment. There was no political organisation or individual capable of influencing foreign policy to the same extent as Nehru and the Congress Party, which facilitated the adoption of the doctrine of non-alignment as the framework structuring India’s interactions with the outside world. However, the era of coalition government has changed all that.

The 1990s was an era of significant instability in Indian politics. From 1989 to 1999, there were five general elections and as many as eight coalition governments were sworn in. Most of them were short lived and collapsed before their five-year term expired because they were minority governments dependent on ‘outside support’ and lacked commonality of ideology and principles. Ideological disparity amongst members of the ruling coalition tended to reduce the life of coalition governments during the 1990s. In addition, some of these governments were led by regional parties, which were more interested in state and local politics rather than international affairs.

In a situation where leaders were more concerned about staying in office, attention to international affairs was not a priority. Weak minority governments, lacking popular support, were hesitant to make radical changes to the broad contours of India’s foreign policy. Ideological disparity between the Congress Party (sections of which were still enamoured by non-alignment), the communist parties (with its reflexive anti-Americanism and pro-China orientation) and the nationalist Bharatiya Janata Party (with its nationalist outlook and realist orientation) hampered the development of a grand strategy. There was no real attempt at forging a coherent strategy that cut across ideological barriers.

Although successive coalition governments understood that a reorientation of Indian foreign policy was necessary in the aftermath of the Cold War and correctly identified and pursued stronger links with the regions that were central to India’s interests, they were unable to coalesce India’s foreign policy priorities into a broad strategic framework. In addition, issues pertaining to foreign policy were usually marginal in deciding the fate of candidates and parties in national elections during the 1990s. A lack of public interest and debate over the nature of the post-Cold War world and India’s position in it was also responsible for the lack of development of a new grand strategy. With the proliferation of regional parties...
during the 1990s, elections in India became far more competitive than the previous decades. Political parties focused on issues that appeared to resonate with the electorate. Unfortunately, foreign policy was not one of these issues (Rai 2009). As such, there was little incentive for political parties to expend too much effort in this direction.

The influence of domestic constraints in shaping foreign policy becomes more important when a coalition government’s stability and survival depends on its response to foreign policy demands of political entities and interest groups. Evidence of this was seen in the events leading up to the India–US civilian nuclear agreement signed in 2008. The Congress-led coalition government initiated talks with the Bush administration in 2005 on civilian nuclear cooperation. Earlier, India’s nuclear tests in 1974 and again in 1998 violated the provisions of the Nuclear Non-Proliferation Treaty (NPT) thereby resulting in the US imposing sanctions and the refusal to provide access to nuclear fuel and technology to India. The India–US nuclear deal involved the US easing restrictions on the supply of civilian nuclear technology to India, in return for the latter’s commitment to separate civilian and military nuclear reactors and placing all civilian reactors under International Atomic Energy Agency (IAEA) safeguards.

However, the deal was vehemently opposed by India’s communist parties, which provided outside support to the Congress-led coalition government. The communist parties believed that the agreement would violate India’s long-standing tradition of non-alignment and make India subservient to the US. With Prime Minister Manmohan Singh refusing to give in, the communist parties withdrew their support to the government. However, the government was able to secure outside support from another party and was able to defeat the non-confidence motion tabled in the parliament. The agreement was finally concluded in 2008. Nevertheless, the government’s narrow escape highlighted the risks associated with reorientation of foreign policy in the background of ideological differences and partially explains the lack of progress on the development of a foreign policy framework.

Similarly, India’s response to the now-concluded Sri Lankan civil war also highlighted the constraints under which coalition governments in India functioned due to the influence of regional parties on these governments. The Dravida Munnetra Kazhagam (DMK), a regional party based in the southern Indian state of Tamil Nadu, has been an important member of coalition governments at the centre for the past 10 years. The DMK supported the idea of ‘Tamil Eelam’ (independent Tamil homeland), which was the declared goal of the Tamil Tigers who were engaged in a bitter war against the Sri Lankan government. This complicated the situation for the Indian government not only because the Tamil Tigers were a banned entity in India but also because the government wanted to see a solution to the conflict that would not involve the break-up of Sri Lanka. Although the DMK did not threaten to withdraw its support from the coalition government, it nevertheless limited the options available to the coalition government with regard to its policy on Sri Lanka.

The government had to tread a fine line between its desire to maintain friendly relations with the Sri Lankan government and respond to the concerns of the DMK. India’s policies and actions towards Sri Lanka were, therefore, often reactive in nature, driven by events in Sri Lanka and pressures from its domestic constituents. For India, even developing an enduring regional doctrine has proved a difficult task. The constraints of coalition politics complicated the task of formulating a foreign policy framework that would replace non-alignment. As a result, while there has been a certain degree of reorientation in its foreign policy, India still lacks a grand strategy.
Federalism and Foreign Policy

The federal structure of a country is an important factor influencing its foreign policy. The role of state and provincial governments of federal entities in international relations has been examined extensively. Although a federal state is supposed to behave as a unitary actor while conducting its international affairs, globalisation has facilitated the involvement of non-state actors, including constituent units of federal states, in the international arena (Keohane and Nye 1972; Slaughter 1999). This section examines the role of India’s states in the country’s international affairs and foreign policy-making.

The Indian system has several unitary features. The Indian constitution gives the parliament exclusive legislative power with regard to foreign affairs, diplomatic representation, foreign trade and treaties with foreign countries. In addition, Article 257 of the constitution also confers on the central government the power to ‘give direction’ to the states in certain cases, clearly making states subservient to the centre in those instances. A literal reading of the Indian constitution may make it seem like states in India have little to no involvement in international affairs. However, the reality is more complex. It is necessary to go beyond the formal structures and rules governing the power of the centre and the states vis-à-vis foreign policy. Once we do this, we realise that the exclusion of the states from issues relating to international affairs is not absolute. Historically, state governments in India have had a long tradition of involvement in international affairs (Ahluwalia 2000; Appadurai 1981; Jenkins 1999, 2003a, 2003b; Jha 1999; Sinha 2004). The involvement of Indian states in events like the liberation of Goa (1961), the liberation of Bangladesh (1971) and the two-decade long Tamil-Sinhalese conflict in Sri Lanka demonstrated their significance in regional affairs (Jha 1999).

Since the early 1990s, political and economic factors have been responsible for a trend towards a less centralised federal system. First, the breakdown of Congress dominance and proliferation of regional political parties and the prioritisation of state-level factors in Indian politics have enhanced the profile of states in national politics. With the collapse of the dominant-party system, regional parties have been demanding a more decentralised federal system. The increasing importance of states is evident in India’s relations with its immediate neighbours. India’s border states have become increasingly involved in India’s relations with its neighbours.

For instance, in 1996, the state government of West Bengal assisted the central government in concluding a water sharing treaty between India and Bangladesh. The involvement of the state government not only facilitated negotiations between the two countries but also demonstrated that the concerns of the state, which bordered Bangladesh, could not be ignored by the Indian government. The previous section outlined the importance of the Tamil Nadu-based DMK with regard to relations with Sri Lanka. The views of the state government of Tamil Nadu on the issue of the civil war complicated the response of the Indian government to events in Sri Lanka. During the last days of the civil war in 2009, the DMK even demanded that the central government pressure the Sri Lankan government to halt the military offensive against the Tamil Tigers. Although, the central government was able to resist pressure from the DMK, the case of Tamil Nadu demonstrates that states are making their presence felt in foreign policy matters.

India’s relations with Pakistan have been influenced by the state governments of Jammu and Kashmir and Punjab, both of which share border with Pakistan. The views of the state governments with regard to issues like terrorism and border trade has conditioned India’s interactions with Pakistan in the past. Similarly, the state governments of Sikkim and Arunachal Pradesh have played a modest role in India’s
discussions with China over their disputed border, while the state governments of Assam and Tripura have repeatedly asked the Indian government to take up the issue of illegal immigration from Bangladesh during talks between the two countries (Sridharan 2003). As mentioned earlier, this has complicated India’s efforts to develop a regional doctrine as the Indian government has chosen to respond to events and issues rather than formulate a strategic foreign policy framework.

Second, the economic liberalisation programme adopted in the early 1990s also transformed the power equations between the centre and the states (Sridharan 2003). The pro-active stance taken by leaders of individual state governments in their search for foreign investment and the devolution of economic decision-making to the states has also led to the trend towards a more decentralised federal system (Singh and Verney 2003). The economic liberalisation process has offered new opportunities for states to become involved in India’s foreign economic policy. States no longer need to rely exclusively on the central government for their economic and industrial development (Saez 2002).

Today, leaders of state governments actively court foreign countries and international financial institutions for investment and funding of infrastructure projects. The central government has empowered states to conduct negotiations with these external entities (Jenkins 2003b). Regular foreign trips by state government leaders, agreements with foreign governments and multilateral institutions, borrowings from international agencies, hosting of foreign trade delegations and the establishment of foreign trade missions in India’s state capitals are all evidence of increasing activism on the part of state governments. According to Sridharan (2003), states have become relatively autonomous players and have demanded their involvement in crafting foreign economic policies. These demands have been particularly strident over ‘intermestic issues’ (that is, issues that involve the merging of domestic and international concerns) like agricultural subsidies and access to India’s agriculture markets. With the majority of people in India employed in the agricultural sector, state governments and regional parties were particularly concerned about India’s negotiating strategy prior to agricultural trade negotiations (Jenkins 2003a). As such, India’s states have become more involved in international affairs and the central government does not have exclusive powers to formulate foreign policy.

There is, however, some debate over the extent of involvement of India’s states in economic diplomacy. While some like Sridharan (2003) argued that exclusive grip of the centre on foreign policy-making was loosening and a transformation of power equations between the centre and the states was taking place, others like Jenkins (2003b) argued that sovereignty and autonomy available to states in dealing with foreign actors was still limited. The latter argued that the enhanced role of states had not transformed the nature of centre–state relations. As an example, he pointed out that even though states were empowered to conduct negotiations with external actors, international agencies still kept the central government in the loop, particularly because the central government was guaranteeing the loans provided to the state governments. Regardless of whether state governments have permanently displaced the central government or whether the interactions of state governments with external actors are mediated by the central government, it is clear that states have become more active in international affairs in the post-Cold War era.

During the past two decades, state governments have, from time to time, forced a reassessment of India’s policies towards a particular country. Nehru did not have to deal with regional parties and state governments to the same extent that current administrations in India have had to deal with since the early 1990s. Together with the constraints of coalition politics, an increasingly decentralised federal system has hampered the process of development of a new foreign policy framework.
Institutions, Strategic Culture and Foreign Policy

The final domestic factor hampering the development of a grand strategy pertains to weaknesses in India’s foreign policy institutions and the lack of a strategic culture within the country. The origins of these problems date back to the days immediately following independence. As mentioned in previous sections, Nehru had played a very important role in shaping India’s foreign policy. Nehru’s personalised conduct of foreign was evident in the fact that he was both the prime minister and foreign minister of the country until his death in 1964. As foreign minister, he headed the Ministry of External Affairs (MEA). The MEA was staffed by members of the Indian Foreign Service (IFS), who were recruited from among the successful candidates emerging from the annual national combined civil services examinations. Nehru interacted directly with ministry officials and displayed a tendency for micro-management (Rana 2002).

Nehru’s own stature and expertise in international affairs combined with the relative inexperience of MEA officials in the early years of independence led him to take a more active role in directing foreign policy. During his tenure, foreign policy formulation and decision-making process involved a very select group of individuals and officials within his own office. The only cabinet minister involved in foreign policy decisions was his defence minister. Nehru’s hands-on approach made him less dependent on established institutional structures and he consequently paid less attention to the development of institutions related to the conduct of foreign policy.

Even though the number of agencies involved in the foreign policy decision-making process has increased since Nehru’s time, as the ultimate decision-maker, the prime minister still takes the final call on all international issues. Later prime ministers, like Indira Gandhi, Rajiv Gandhi and Atal Behari Vajpayee, also favoured Nehru’s style of personalised conduct of foreign policy (Sikri 2009b). During Vajpayee’s tenure as prime minister (1998–2004), Brajesh Mishra (a non-IFS official) held the position of both National Security Advisor (NSA) and Principal Secretary in the Prime Minister’s Office (PMO), thereby becoming the principal foreign policy advisor to the government. Mishra’s dual appointment allowed him unrestricted access to the prime minister. Mishra reported directly to the prime minister and even eclipsed the foreign minister and other cabinet ministers in stature on matters of foreign policy. Due to Mishra’s active role in foreign policy decision-making, the MEA found its concerns increasingly sidelined.

The current Prime Minister Manmohan Singh actively pushed for the successful conclusion of the India–US civilian nuclear deal, despite the reservations expressed by his cabinet colleagues and officials within the MEA. This shows how institutions and agencies set up to conduct foreign policy are, in reality, weak and of marginal importance. During Singh’s tenure, the powers of the Principal Secretary of PMO were curtailed, but the NSA remained an important actor in foreign policy-making process. Together the troika of foreign minister, NSA and foreign secretary, (who is the administrative head of the MEA), reported to the prime minister. Much like Nehru’s time, foreign policy-making remains concentrated among a select coterie of politicians and officials. The only difference is that today this coterie is subject to influence from domestic actors to a far greater degree (due to coalition politics and increasing federalism) than Nehru ever was.

Markey (2009), Baru (2009), Sikri (2009b) and Rana (2002) have highlighted the institutional shortcomings of the MEA and the IFS. The problems associated with the MEA included an arbitrary and personalised selection process, lack of lateral induction of high-quality professionals into the MEA and
inadequate staffing at headquarters and under-staffing in diplomatic and consular posts in Africa and Latin America. The IFS, on the other hand, suffered from meagre human resources, poor selection process, inadequate mid-career training and the lack of use of ‘outside expertise’.

In 2007, Foreign Secretary Shiv Shankar Menon told the Parliamentary Standing Committee on External Affairs that India did not have enough diplomats to conduct foreign policy. According to Menon, ‘for every Indian diplomat there are four Brazilian diplomats; for every Indian diplomat there are seven Chinese diplomats…’ (Bagchi 2007). Menon also stated that crucial divisions in the MEA were under-staffed. According to the 2010 MEA annual report, the country had less than 750 career diplomats, supported by a non-diplomatic staff of about 2,700 personnel (Ministry of External Affairs, India, 2010). In comparison, one study found that many developed countries, and even some large developing countries like Brazil and China, had a much larger pool of diplomats. Even as the MEA has added new territorial divisions there hasn’t been any structural change to the foreign ministry to cope with the changes in the post-Cold War era (Rana 2002).

In addition to weaknesses associated with India’s foreign policy institutions, the dearth of policy-oriented think tanks and poor funding of social sciences in public universities also hampered the development of a grand strategy. This was because it limited the pool of available specialists on international relations that the foreign policy establishment could draw from. Traditionally, the Indian foreign policy establishment does not have a culture of involving the country’s strategic affairs community in foreign policy deliberations. The lack of resources, the lack of access to information and inadequate finances is a common problem for most think tanks in India.

Even prominent think tanks like the Institute for Defense Studies and Analyses (IDSA), Indian Council of Research on International Economic Relations (ICIER), Indian Council of World Affairs (ICWA) and the government-funded Indian Council of Social Science Research (ICSSR) were not adequately utilised by the government in foreign policy-making in the post-Cold War era (Ghosh 1994). Again, this situation was not new. Since independence, successive prime ministers have paid little attention to the need to induct specialists to advise the government on foreign policy matters. Even the more recently established National Security Advisory Board (NSAB), which was affiliated to the National Security Council (NSC), and staffed by experts in the field of foreign affairs, defence, security, science and technology, economics, etc., was not adequately utilised by the government.

Baru (2009) pointed out that due to limited number of opportunities and funding to conduct research, young scholars were not attracted to the disciplines like international relations and strategic affairs. Even so-called ‘area specialists’ had little to no field experience and failed to develop language skills necessary to fully understand their chosen country or region. Inadequate government and private funding of think tanks was the primary reason why young scholars could not fund their travel and research. Additionally, restrictions over releasing information to the general public and extremely limited access to foreign relations and military archives made it difficult for independent experts to conduct meaningful policy-oriented research (Markey 2009).

For a country of over one billion people, the number and quality of higher education institutions in India is woefully inadequate. Only two institutions (both technology schools) made it to the Times Higher Education magazine’s world university rankings for 2009, compared to seven from China (not including five from Hong Kong) (Times Higher Education 2009). Currently, India has about 250 universities and 13,000 colleges and spends about 3 to 4 per cent of its gross domestic product (GDP) on education (Roy Choudhury and Mahajan 2004). Recently, the Ministry of Human Resource Development announced the
Arijit Mazumdar

The government’s intention to build 14 new comprehensive universities of ‘world-class’ stature. However, the costs associated with establishing even one world-class university would come out in millions of dollars and India’s current system of comprehensive universities is already severely underfunded (Krishnan 2005).

Most of the planned spending on higher education is directed towards the science and technology disciplines. The government has yet to announce any serious long-term investment in the social sciences disciplines in India. Historically, the prospects of a lucrative career in business, sciences, medicine and technology have attracted the brightest young minds away from the social sciences in India. International relations and foreign language courses have also not been given adequate attention by the government. Even internationally renowned faculty and researchers from premier academic institutions (like Jawaharlal Nehru University, New Delhi) were not consulted by the government on a regular basis on issues related to foreign policy (Baru 2009).

The limited number of think tanks and inadequate funding of public universities resulted in a relatively small number of scholars working in the field of international relations. This retarded the development of a strategic culture within the country. Together, the weaknesses associated with India’s foreign policy institutions, the limited influence of think tanks and the paucity and underutilisation of experts resulted in the absence of any structured debate over a strategic doctrine that would shape India’s interactions with the outside world.

Conclusion

The end of the Cold War forced India to make changes to its traditional foreign policy. However, hampered by domestic factors, the country’s policy makers were slow to react to the plethora of changes that took place. Some changes were made and priorities outlined, but priorities and goals do not substitute for a grand strategy. India’s aspiration for a bigger international role is circumscribed by the absence of a grand strategy. This makes it difficult for the country to project power abroad in a coherent manner. No major power can have an effective foreign policy in the absence of a guiding framework underlying its relations with the outside world.

To be fair, the chaotic nature of Indian democracy and the country’s federal polity makes it difficult for India’s policy makers to come up with a grand strategy. Still, the obstacles are not insurmountable. As a first step, India needs to address the question of political stability, domestic conflicts and economic challenges facing the country. Additionally, India needs to improve its relations with countries within the South Asian region, particularly Pakistan. As long as differences with Pakistan persists, India will find itself tied down to the South Asian region and will not be able to look much beyond the immediate and pressing concerns of its neighbourhood. The international community is not likely to take India’s claims of being a major power with global ambitions and influence seriously if it is unable to settle problems within its own backyard. Reconciliation with Pakistan may allow India’s policy makers to concentrate on the task of developing a grand strategy.

As a rising power, India cannot afford to remain reactive to international developments and transformations. While India’s policy makers can do little about the emergence of coalition politics and the ways in which it complicates the making of foreign policy, there is certainly scope for addressing other
issues. The involvement of think tanks in foreign policy-making, investments in public universities (particularly in the social sciences discipline) and a more peaceful neighbourhood may all facilitate the development of a grand strategy suited to India’s needs and interests.

Notes
1. The realist point of view of international politics is that the international system is composed of states that pursue policies designed to further their national interests.
2. For a broader discussion and review of studies on the definition of leaders, cognition, belief sets, operational code and personality and their influence on foreign policy, see Neack (2008).
3. On the relationship between domestic coalitions, institutional arrangements and the strength of the state vis-à-vis society, see, for example, Gourevitch (1986) and Katzenstein (1976); on the role of domestic politics in explaining foreign policy restructuring due to global change, see, for example, Goldmann (1988), Hermann (1990) and Holsti (1982); on the perspective that democracies are less likely to initiate wars, see, for example, Bueno de Mesquita and Lalman (1992), Doyle (1986), Lake (1992) and Russett (1993); on the influence of domestic politics on the development of aggressive and militant foreign policies, see, for example, Lamborn (1991), Levy (1988), Rosecrance and Stein (1993) and Snyder (1991).
5. For a detailed discussion of coalition theories and coalition cabinets, see, for example, Axelrod (1970), Browne and Dreijmanis (1982), Bueno de Mesquita (1975), De Swann (1973), Dodd (1976), Pridham (1986) and Riker (1962); for a review of studies on foreign policy-making in coalition and single-party cabinets, see Hagan (1993).
7. Markey (2009) states that countries like Germany and the UK have roughly five times India’s number of professional diplomats and Brazil and China had at least 50 per cent more than India.

References
Bagchi, Indrani. 2007. Crisis point: Not enough diplomats in India. The Times of India, April 30.
Chiriyankandath, James. 2004. Realigning India: Indian foreign policy after the Cold War. The Round Table, 93(374), 199–211.


**Arijit Mazumdar** is Assistant Professor, Department of Political Science, University of Saint Thomas, Saint Paul, Minnesota, USA.

*India Quarterly, 67, 2 (2011): 165–182*
India’s role in Asia is gradually emerging as a crucial topic of interest in contemporary international relations, along with the prospective rise of India as a major global power. The reasons for this newfound attention can be seen both in economic and in strategic terms. India began the liberalization of its economy in 1991 and has since then shown considerable growth in its gross domestic product (GDP), averaging between 6 and 8 percent annually, only to slow down to 5.5 percent by 2012–13. This placed the Indian economy, in terms of purchasing power parity (PPP), as the fourth largest in the world by 2007. Even in absolute US dollar terms, the Indian economy is currently in the ninth position globally, although it is expected to move into the third place among world economies, after China and the United States, by the middle of this century. As a result, the world has begun to view India in a new light as a land of economic opportunities (despite several constraints in doing business in India, including its archaic bureaucratic rules, chronic corruption, and poor infrastructure).

In strategic terms, India’s role has increased given the expectations among official and strategic circles in the United States and its allies in Asia and Europe that the rise of China inevitably calls for countervailing power centers. Within Asia, India and Japan are the most potent nations for balance of power individually or collectively. The dramatic transformation of US-India relations, although partially driven by economic considerations, is also propelled by strategic calculations on both sides. While the US-India friendship is unlikely to emerge as a patron-client relationship or a typical military alliance, it has already become more like limited cooperation for “soft balancing,” although it could mature into a hard-balancing alliance if China assumes a threatening posture in the Asia-Pacific region. India, however, has simultaneously been engaging in “internal hard balancing” vis-à-vis China by relying on arms imports, nuclear and missile buildup, and steady infrastructure development in the border areas. Indian military capabilities do not yet match China’s; hence it constitutes only a limited hard-balancing effort. Until 2010, the probability of an intense balance of power competition with China by the United States and India looked low as both had emerged as major trading partners of China. Moreover, the Chinese approach to its own rise in the international system did not seem to imitate the aggressive route followed by European rising powers in the nineteenth and early twentieth centuries, which called for hard-balancing strategies by affected powers. But by 2013, this was slowly changing as a result of China’s somewhat aggressive territorial intrusions.

The hardening of China’s position on territorial disputes over small islands in the South and East China seas, as well as intrusion incidents involving Chinese troops on the Indian border in 2012 and 2013, have generated much concern among its Asian neighbors. In response, India—along with the United States, Japan, and some of the ASEAN states—has resorted to partial hard balancing while
maintaining economic ties and diplomatic engagements with Beijing. The United States, especially through its “pivot to Asia” strategy, has signaled to China its active balancing effort unless Beijing modifies its aggressive policies. India’s policy toward China, similar to others in Asia-Pacific, is still in a hedging mode involving limited internal hard balancing, soft balancing, and diplomatic engagement (partly because of the huge trade relationship it has built in the economic arena with China in an era of intensified globalization).

India’s search for a major power role is somewhat akin to China’s to the extent that it seeks a peaceful rise rather than a violent one. However, India has not pursued the goal as vigorously as China has, even though India has emerged as a more confident nation during the past two decades and has been able to develop strategic partnerships and diplomatic engagements with all leading powers. India’s status adjustment seems more acceptable to most other states in Asia, except China and Pakistan, as its liberal democratic order is raising little alarm among them. Accommodation is taking place gradually, especially since the landmark US-India nuclear accord was signed in July 2005, and other subsequent agreements that made India a de facto nuclear weapon state although it is not a signatory to the Nuclear Non-Proliferation Treaty (NPT). India has also become an active partner in forums such as the Group of Twenty (G-20). However, unlike China, India is still not a permanent member of the UN Security Council. The Indian efforts in this direction have received much support among all P-5 states except China, but since it is still tied to the politics of Security Council reforms, they are unlikely to come to fruition in the near future. Thus, India’s formal acceptance as a major power with all the associated institutional and political privileges may be a distant event as the international system has not yet devised a peaceful mechanism for the accommodation of rising powers, although it may already be taking place informally.

This chapter first discusses the origins of India’s foreign policy, especially the initial effort by India to carve out an independent position in the world system, and its interactions with neighboring countries, which is followed by a discussion of its efforts at gaining major power status. The second section offers a brief explanation for India’s foreign policy behavior. The final section discusses the future trajectories of India’s foreign policy in the coming decades of the twenty-first century.

THE PAST AS PRELUDE

India emerged as an independent state in August 1947 after being colonized by Great Britain for about two hundred years. At the time of independence, it was divided between nine main British-ruled provinces and some five hundred–plus nominally independent princely states (protectorates). The colonial experience left deep marks on the political, economic, cultural, and other facets of India, as well as an elite skeptical of great power alignments and balance of power competition. Even though British rule helped to develop a sense of national identity and liberal democracy in India, the country was left extremely poor economically as the colonial rulers used it for raw material collection and as a market for their finished goods while developing very few indigenous industries. A stark reminder of this is contained in the statistics that in 1750 India had a share of 24.5 percent of the world manufacturing output and 7 percent of per capita industrialization, which by 1900 had shunk to 1.7 and 1 percent, respectively.

India’s independence occurred almost at the same time as the onset of the US-Soviet Cold War competition and the creation of two adversarial blocs in the post–World War II international system. The leaders of the Indian nationalist movement, especially the first prime minister, Jawaharlal Nehru, envisioned an independent foreign policy role for India and did not wish to entangle themselves in the superpower competition, which they viewed as somewhat similar to past imperial struggles among
European powers. Moreover, India sought developmental assistance from both sides in furtherance of Nehru’s policy of state-led economic development based on heavy industry and import substitution. At the international level this meant a policy of organizing newly emerging states into an independent bloc. The first key event toward this goal was the convening of the Afro-Asian conference in Bandung, Indonesia, in April 1955. Subsequently, the Non-Aligned Movement (NAM) emerged out of this endeavor, led by Nehru along with Egypt’s Gamal Abdel Nasser and Yugoslavia’s Marshal Tito. India became very active in mediation roles, especially in Korea, and lent its strong support for peacekeeping operations to the UN.

The Indian activism in developing a third diplomatic front raised the ire of the United States, especially the Eisenhower administration. Secretary of State John Foster Dulles called the Indian efforts “immoral.” The relationship between India and the United States was frosty during much of the Cold War, except for a brief interlude during the Kennedy administration. They were aptly called “estranged democracies.” The Non-Aligned Movement never achieved the status of a truly independent bloc, although the member states worked at the UN and other forums on core issues like decolonization, development, and nuclear disarmament, with some successes in the first area. The stated goals of India’s foreign policy under Nehru were maintenance of international peace and security, promotion of self-determination of all colonial peoples, opposition to racialism, peaceful settlement of disputes, and securing voice and influence for emerging countries of Asia and Africa.

India under Nehru achieved a high international status for an economically weak country, although with a long sense of culture and civilization, based on soft power attributes and potential material power parameters. India’s freedom struggle, mostly through non-violent methods under the leadership of Mohandas Gandhi, attracted the liberal world’s admiration. The creation of a democratic system with federal and secular foundations despite its high diversity was a great achievement. India proved that democracy could work in a multiethnic and pre-modern developing country, challenging existing theories of democratic transitions and modernization. Nehru’s government, partly under domestic economic compulsions, but partially due to an idealistic bent, neglected defense, on which it spent a paltry 1.9 percent of its GNP between 1950 and 1962, insufficient for defending two hostile fronts, with China and Pakistan. However, similar to many newly emerging countries, India showed a strident attitude on territorial matters and an unwillingness to compromise with neighboring countries.

India’s independence, although achieved largely through peaceful means, was bloodied by the partition of the subcontinent and the creation of Pakistan with its two wings in the west and in the east separated by over 1,000 miles of Indian territory. Partition generated deep-seated scars on the two states and their relations. The massive bidirectional flow of refugees, numbering some 10 million, and the genocide-like violence perpetrated by Muslims, Hindus, and Sikhs engendered intense feelings of hostility between the two states and their peoples from the outset. The independence was followed by a short war in Kashmir with Pakistan (1947–48), which saw some 40 percent of the state falling into Pakistani hands and 60 percent to the Indian side. The Kashmir conflict occurred because the princely ruler, Maharaja Hari Singh, first dithered to join either India or Pakistan while the latter claimed the territory owing to its large Muslim population. Facing the prospect of complete defeat, resulting from an offensive by tribal forces into Kashmir with the support of the Pakistani army, the ruler of Kashmir agreed to join the Indian union and sought its armed intervention. The war, however, was inconclusive. It was the beginning of a bitter conflict between the two South Asian states, producing three more wars (1965, 1971, and 1999). The 1971 war was primarily focused on the liberation struggle of East Pakistan. The rivalry has also seen many crises and some efforts at peace, often producing little positive results.

India’s other conflict has been with the People’s Republic of China which occurred after a short
period of friendship based on Panchsheel (five principles) of amity and cooperation between the two countries. The surprise Chinese attack on Indian border posts in November 1962 in some key locations of the 2,100-mile-long contested territory over the disputed McMahon Line separating the two countries was a watershed moment for Indian foreign policy. Nehru’s policy of forward defense and his government’s earlier accord of refugee status to the Dalai Lama and his Tibetan followers contributed to the Chinese action, although it may well be that the Chinese leaders viewed Nehru as a “lackey” of Western imperialism, a challenger to their dominance in Asia and the emerging countries, and wanted to teach India a lesson. The defeat in the war was a major shock and demoralizing event for India. Nehru died in 1964 only to leave a weakened country, yet one determined to build up its military and economic strength. The war generated a brief period of Western military and economic aid to India, especially under US president John F. Kennedy. By the mid-1960s India acquired better military strength and began the green revolution in agriculture, which increased food production under the leadership of Indira Gandhi. Nehru’s immediate successor, Lal Bahadur Shastri (1964–66), faced foreign policy challenges from Pakistan and China, the latter by way of nuclear tests in 1964. In 1965 a short war was launched by Pakistan in which Shastri’s government responded strongly, even though the war concluded in a stalemate and both sides agreed to withdraw troops to previously held positions after an agreement was reached at Tashkent in 1966, with Soviet help. In 1971 war broke out again between India and Pakistan, this time in response to the liberation struggle in East Pakistan and India’s active military intervention.

India’s major challenge in the foreign policy arena involving the great powers was in the nuclear weapons area. India dithered on its response to the 1964 Chinese nuclear tests for a decade, but by 1974 it had acquired a crude weapon which the Indira Gandhi government tested at Pokhran in the Rajasthan Desert, calling it a peaceful nuclear explosion. The international response was intense condemnation, and the United States took the lead in imposing sanctions on India which lasted until September 2001. The Gandhi government, largely under pressure from abroad and owing to a lack of grand strategic vision, left the Indian deterrent to hibernate. In 1989 Gandhi’s son, Prime Minister Rajiv Gandhi, launched an active nuclear weapons procurement program in response to Pakistan’s accelerated nuclear arms development and his own failed efforts at global disarmament. After wavering for a decade, in May 1998 India, under the right-wing government of Atal Bihari Vajpayee, tested five nuclear devices and immediately received additional sanctions for violating the spirit of the nuclear Non-Proliferation Treaty (NPT) and Comprehensive Test Ban Treaty (CTBT), although it had signed neither.

Prior to this, in 1991 India, under Prime Minister Narasimha Rao and his finance minister Manmohan Singh, initiated an economic liberalization program which began to improve India’s growth rates and international profile with foreign investors who began to invest in large numbers, although the extent was limited compared to that of China. The severe balance of payment crisis India faced in the immediate post–Cold War era propelled the reforms. The end of the Soviet Union and the socialist model also helped in changing the ideational bases of Indian economic policies. These larger changes also encouraged India to launch new foreign policy initiatives in its own region, South Asia. The results have been mixed, with some successes and some failures in making a dent on India’s fractious relationship with its immediate neighbors.

**THE SOUTH ASIAN DIMENSION**

Within the South Asia region India’s relations have been one of limited hegemony, although it is debatable whether it was ever able to achieve its will on all crucial matters involving the smaller
India halfheartedly supported the creation of the South Asian Association for Regional Cooperation (SAARC) in 1977, but it has not been active in building up this grouping into anything like the Association of Southeast Asian Nations (ASEAN). India’s concern has been that the smaller states would bargain hard for concessions since it borders all of them except Afghanistan and occupies nearly 70 percent of South Asia. The enduring India-Pakistan rivalry is another reason for SAARC not progressing to its full potential. The South Asian states objected to India’s preponderance by erecting barriers, as well as becoming vocal in their opposition to Indian dominance over crucial bilateral issues. The weak states of South Asia also do not fully subscribe to the norm of territorial integrity, and they tend to intervene in each other’s internal conflicts. Some states, or have been unable to control, anti-India groups operating from their territories while India has also intervened in the affairs of Sri Lanka, Nepal, Bangladesh, and Maldives in particular, sometimes invited by the beleaguered regimes in those countries. India occasionally displayed an enlightened approach in dealing with the smaller neighbors. An example is the Gujral doctrine based on non-reciprocity. The Manmohan Singh government (2004–14) also followed some of the friendly policies showing better relations with smaller neighbors, especially with Bangladesh. Regional cooperation has made incremental progress with the signing of the South Asia Free Trade Area (SAFTA) in January 2004, which is expected to eliminate customs duties in a phased manner, reaching 0 percent by 2016 for tradable goods among the eight-nation SAARC. However, the potential for wide-ranging economic cooperation in South Asia is yet to be fully exploited, although trade tariffs have been lifted by most member countries.

Within the region, India had a testy relationship with Sri Lanka where it initially supported the Tamil liberation movement, which it withdrew after the Indian peacekeeping forces failed to quell the Tamil Eelam guerrillas and Prime Minister Rajiv Gandhi was assassinated by them in 1991. The complete defeat of the Tamil guerrillas in the bloody battles of May 2009 changed the dynamic in a major way. India had already concluded a free trade agreement with Colombo in December 2008, and later introduced zero customs duties on most products, which has substantially increased the bilateral trade volumes. With Bangladesh, India has had a less than friendly relationship over the division of river waters, as well as the massive illegal migration from that country to border states like Assam, Bengal, and Tripura. By 2010 the relations had improved much. India’s ties with Nepal have been of a dominant-subordinate type, something many Nepalis resented, even though this has also come under change after a decade-long Maoist uprising in that country. New Delhi’s support for the democratic transition in Nepal helped in improving relations. India has a strong benign hegemony over Bhutan that has benefited economically from friendly ties with India. The hydropower agreements and the annual financial aid from India have helped to make Bhutan’s economy number one in South Asia in terms of per capita income. Another smaller neighbor, Maldives, has maintained cordial relations with India, although the island nation is undergoing changes due to pressure from China and its own fractious internal politics.

India’s relations with Pakistan have been the most contentious, involving all neighboring states. Even after sixty-five years this rivalry shows little possibility of resolution. The rivalry is not only for Kashmir and the sharing of river waters, but for regional status and maintenance of a balance of power. Pakistan has aggressively pursued a very proactive military policy that includes acquisition of nuclear and conventional weapons, as well as alignment with great powers in an effort to obtain strategic parity with India. Pakistan has also resorted to the use of non-state actors to challenge India’s control over Kashmir since 1989. Pakistan-supported terrorists have also struck within India, most notably in December 2001 attacking the Indian parliament, and in November 2008 launching a mass attack on India’s financial center, Mumbai, killing some 164 people and wounding 368. Despite periodic peace talks, a genuine rapprochement has not been achieved between the two South Asian
rivals as many stakeholders act as spoilers whenever the political elite start engaging each other seriously. The election of the Nawaz Sharif government in May 2013 rekindled hopes that the peace process would be resumed, but it is complicated by continuous tensions on the border, as well as India’s general elections which produced an unstable coalition government in Delhi.

India’s position on Afghanistan is very much part of the reasons for New Delhi’s conflict with Pakistan. Afghanistan, prior to the rise of the Taliban, maintained close ties with India as a supporter for its own disputes with Pakistan. India backed the Pashtun cause from the late 1940s. During the Soviet occupation of Afghanistan, New Delhi maintained an uncomfortable neutrality because of its friendship treaty with the Soviet Union. After the Soviet retreat, India supported the Northern Alliance, but when the Taliban won the civil war with Pakistan’s support in 1996, India’s position became very uncomfortable. India supported the Hamid Karzai government by way of training Afghan security forces, offering developmental aid estimated at $2 billion a year, and expanding infrastructure. India watched the planned US withdrawal in 2014 with much trepidation as a Taliban return to power will undercut its investments in Afghanistan and undermine its security interests, with Afghanistan once again becoming a springboard for terrorist groups that also target India.

**RELATIONS WITH THE LARGER ASIA-PACIFIC**

Beyond the South Asia region, India has shown much interest in building its relationships with the other states of Asia and beyond. The “Look East” policy was first initiated in 1991 by Prime Minister P. V. Narasimha Rao’s government—a policy which was actively pursued by his successor governments, especially Vajpayee and Manmohan Singh. The policy envisaged and produced substantial improvements in India’s economic, strategic, and cultural ties with Southeast Asian countries which India had neglected during the Cold War era. The ASEAN countries reciprocated this policy by according India membership in the Asian Regional Forum (ARF) and holding India-specific annual dialogues. Among the ASEAN countries, Singapore, Malaysia, and Thailand developed major commercial links with India. In fact, Thailand, Singapore, and Malaysia have concluded separate free trade agreements with India in addition to the ten-nation ASEAN-India free trade area that came into existence in January 2010 after seven years of negotiations. The trade volume between the ASEAN countries and India grew from a modest $2.9 billion in 1993 to $74.9 billion in 2011–12 and is expected to reach $100 billion by 2015. Other Asian trading states, South Korea and Taiwan, have developed extensive links with India in the economic arena, and both have been active investors in the Indian economy. Seoul has already concluded a free trade agreement with India which came into force in January 2010.

India’s economic relations with China saw much upswing during the past two decades. From a paltry $2.92 billion in 2000, it reached $66.57 billion in 2012, making Beijing the leading single trade partner for India. What is surprising is the quantum increase in trade links occurring even when political and strategic relations have not been warm. This relationship is not without contention as China has a favorable balance of trade, with India importing many manufactured goods and machine tools, while Beijing imports Indian natural resources like iron ore. In line with its growing economic aspirations and desire to obtain oil and gas, India has built strong links with Central Asian, African, and Latin American countries. There has been some competition and cooperation between China and India in the development of new oil and gas resources in these countries.

India’s relations with Japan show much promise. From estranged democracies during and immediately after the Cold War, partly due to Japan’s opposition to India’s nuclear tests, today both countries see major improvements in economic and strategic ties. They have also conducted military
exercises and weapons transfers. Since 2006 they have engaged in several summit meetings on both strategic and economic issues. Japan has been a lead investor in India in the area of infrastructure development. Moreover, Japan has slowly relaxed its opposition to India’s nuclear program. During the past decade many Asian states, especially Japan and ASEAN members, began to see India as a mature power and began to court it for strategic or economic reasons. Today, India is viewed much more positively by most of the great powers. It is common for the leaders of these states to reaffirm India as a rising power or a great power when they visit New Delhi. What are the bases of India’s claim?

INDIA AS A RISING POWER

Realizing its putative power capabilities, leaders from the days of Nehru envisioned India achieving a leadership position in the world system. It is debatable whether they assiduously worked for it similar to China, or if they developed a plan to reach the goal in the short and medium terms. India’s fractious democratic polity and the ideological hangovers dating back to the anti-colonial struggle have been part of the challenge, but it is the international and regional constraints that matter most. However, over the past six decades India has developed a number of hard power capabilities that are necessary ingredients for claiming great power status. India is perhaps the leading contender for major power status in the developing world in the twenty-first century due to its comprehensive national capabilities, defined in both hard- and soft power resources. The hard power resources include extensive military capabilities, economic resources, and technological and demographic assets. The soft power assets include leadership in international institutions, cultural appeal, democracy, secularism, and a federal polity. Moreover, India is geographically situated at a major strategic location, with the Indian Ocean being crucial waters for the world’s oil transportation. In addition, among most of the emerging powers, India has shown the highest inclination, in terms of its elite and public positioning and in terms of its invocation of its grand civilizational history, for the position of a major power even if it is not aggressively pursuing that goal.

More concretely, what are the sources of India’s aspirations in this regard? The prospects of an aspiring power to obtain great power status depend on the availability of adequate hard and soft power resources, and their utilization for the achievement of national objectives in a well-crafted strategy. How does India fare in these dimensions of power and its exercise?

Hard-Power Resources

In terms of military power India has always been a pivotal player for the security order in the larger Indian Ocean and South Asian regions. In recent years it has made some major strides in broadening its reach beyond the immediate region. In manpower, with 1.32 million regular troops, India holds the third-largest armed forces after China and the United States. In terms of conventional capabilities it has air, naval, and land assets that it can now extend beyond the immediate South Asian region to a shorter periphery, such as Southeast Asia and the Persian Gulf. It has acquired nuclear weapons and delivery systems, including intermediate-range ballistic missiles (IRBMs) that can reach major cities of China. The shorter-range Prithvi and Agni I and II missiles are meant for deterrence against Pakistan, while the Agni III has a reach of 3,000 kilometers that can offer a key deterrent toward China. In 2012 and 2013 it tested a 5,000-kilometer-range Agni V, an intercontinental ballistic missile that can hit most of China, including Beijing. It is working on even longer-range intercontinental
ballistic missiles with a range of 10,000 kilometers, but it is unlikely to deploy or develop them in the near term due to concerns about potential implications for relations with the United States. India is also acquiring capabilities in the naval area such as nuclear submarines, aircraft carriers, and air power that would extend its power projection capabilities to the larger Asia-Pacific region. Moreover, if the planned deployment of missile defense systems materializes, India may have defensive capacities as well. In recent years, India has been on a major arms-buying spree in its efforts to replace its aging fighter jets, aircraft carriers, battlefield tanks, and other systems that will give it an edge in technological capabilities vis-à-vis major regional rivals. Between 2008 and 2012, India emerged as the world’s no. 1 arms importer partly because its domestic arms industry is not fully able to meet the growing demand of its armed forces.\(^2\)

In terms of economic power India is already the world’s fourth largest economy in terms of purchasing power parity (PPP). It will become a leading economy by the middle of the twenty-first century if its growth rate continues at the present level. This outcome has been possible because of an annual growth rate of 6 percent. If this trend continues, India’s GDP will double every ten to twelve years or so. A quadrupling of the economy in the space of thirty years could dramatically alter India’s power position, especially given the prospect that many developed countries are unlikely to grow at that rate. The possibility exists that in dollar terms the Indian economy could become number three in the next decade, and number two by 2050.\(^2\) Since the mid-1980s, India’s growth has been incremental, but it has accelerated during the past seventeen years, only to decelerate to 5.5 percent or so by 2013 partly because of a global slowdown. A growing capitalist class is emerging in India which is making use of economic globalization fairly effectively. More reforms in various areas could make Indian economic growth even bigger and sustainable. This economic change has foreign policy, as well as strategic, implications.

However, a dramatic opening of the economy, or the building up of a strong manufacturing sector, or the adoption of an intensive export-driven strategy like China’s is politically difficult for India. The fractious political system and the requirements of coalition governments at the federal level constrain India in adopting a blitzkrieg economic strategy. But India’s development seems more stable and locally generated, relying on knowledge-based industries which are likely to stay pivotal for growth in the twenty-first century. If India can increase foreign direct investment (FDI) flows and foreign trade, it may exceed China’s growth rate, expected to slow down beginning next decade. India’s concentration on services has worked so far given the availability of a skilled and semi-skilled workforce, but it has not fully developed its manufacturing potential.

Technological assets are linked to both economic and military power, and in India’s case these are most noticeable in the information and space arenas. India’s space program has succeeded in placing different categories of satellites in orbit and in developing and deploying multiple types of launch vehicles. With the launch of the Polar Satellite Launch Vehicle (PSLV), India has been able to place heavier remote-sensing satellites at higher altitudes. On April 18, 2001, India used the GSLV (geosynchronized satellite launch vehicle) to place a 1.53-ton communications satellite in orbit. In April 2008, India launched ten satellites using a single launch vehicle. It sent a vehicle to the moon in 2008 that brought back samples of water. In December 2013, India succeeded in sending a small unmanned probe to Mars.\(^2\) India’s emerging space capabilities will likely give it a key role in the future international system, especially if space becomes militarized and there is competition among the major powers for control of it. India is also a leading power in the area of information technology (IT), which now accounts for 5 percent of the country’s GDP. In software development, application, and exports, India has benefited much from the globalization process and the interactions of Indian multinationals with their American counterparts.

Demographic assets also provide India certain advantages and disadvantages. India will have the
largest population of working age in the world during the next three decades or so. Between 2000 and 2020, India will add 310 million people to its population. The median age of the Indian population in 2013 was 26.7 to China’s 36.3. Although 25 percent of the Indian population still lives in abject poverty, the low age of the working population brings certain advantages. However, clear policy initiatives, especially in education and poverty alleviation, are needed to bring this population to productive use. Considerable social and economic disparities exist in Indian society along caste, class, and gender bases, making it difficult to use the population asset optimally.

In terms of soft power indicators, India’s position is significantly high in some areas, while it has considerable potential in others. The key ingredients of India’s soft power resources are its multiethnic culture, peace-generating civilizational values (including religious and philosophical ideals), and unique art forms and literature. More importantly, crucial values and ideas that contemporary India possesses have great promise for managing multiethnic societies, especially in the developing world. These arise from the institutional structures that its first prime minister, Nehru, helped to instill in India: democracy, secularism, federalism, and the three-language formula. As the twenty-first century advances, India is slowly making use of its soft power assets as the global media are paying much attention to it. However, harnessing soft power resources effectively would require India to become a more equitable society and a global economic power—that is, a state whose economy commands a major share of the global wealth, especially global trade and investment, but one that values fairness and equity.

One area where India has some strength is at the global institutional level. Its membership in leading organizations of the world such as the G-20, BRICS, and WTO gives it a unique opportunity to influence global negotiations, especially on climate and trade talks. India has played a leading role in world trade negotiations in the Doha Round, as well as in climate change negotiations, along with China and Brazil, and has emerged as a veto player, whose agreement is crucial to the conclusion of any such deals in the future. At the UN, India has long been a very active provider of peacekeeping forces. It is not a permanent member of the Security Council yet, but this might be a continuing issue for India’s peaceful integration into the world order.

### India’s Lingered Constraints

India faces several constraints at the international, regional, domestic, and perceptual levels in achieving a global leadership role in the near term. At the international level, India’s late arrival as an independent state in 1947, two years after the post–World War II order was finalized in San Francisco, precluded a leading role in the UN system. The UN Security Council was set up then with five permanent members who were allies in the winning coalition of the war. That setup still continues because the leading powers, as well as many developing countries in the Security Council, are unwilling to alter the composition of the council. No systemic event has yet taken place to upset the post–World War II order in terms of the structure of international institutional governance. The Cold War rivalry caused India to avoid joining alliances and led it to pursue a non-aligned policy that allowed it to somewhat compensate for the immediate dearth of hard power resources. However, India’s quasi-alliance with the Soviet Union during the 1970s and 1980s precluded Western support for it to achieve a leading role.

Regionally, India has been constrained by the conflict with Pakistan and China and the need to divide its military forces into two fronts. The on-and-off alliance that the United States and Pakistan have formed, and China’s continuing alliance with Pakistan have constrained India’s power position in the region. The conflict in Kashmir has also consumed a considerable amount of Indian attention.
and it is still simmering partly due to Pakistan’s support to Kashmiri groups seeking independence. In recent years, India has been affected by the weak states populating its neighborhood, especially Afghanistan, Pakistan, Bangladesh, Nepal, and Sri Lanka. All these states have internal conflicts that have impacted India as well. Nepal has emerged as a major source of security challenges to India through the Maoists (Naxalites) who now form a corridor in India’s tribal belts from the north to the south. Large-scale migration from Bangladesh has caused internal conflict in Assam and Tripura as well.

The external challenges have been accentuated by the weak-state syndrome of India itself. The Indian state has strengths in some areas, but it is often called a “soft state” when dealing with pressing national problems. Many parts of India, especially states such as Bihar, Rajasthan, Uttar Pradesh, and Jharkhand, are similar to sub-Saharan Africa in terms of poverty levels and the poor state of governance and infrastructure. The Naxalites control much of the tribal belt land of central India, and the state’s inability to integrate or suppress them generates high levels of internal violence. Terrorist groups, some internal and others externally sponsored, cause much mayhem in India. During the past several years India has registered one of the highest numbers of terrorist incidents in the world. In 2012 alone there were some 805 deaths due to terrorism, with over 300 deaths by domestic terrorism such as those perpetrated by Naxalite groups.27 The ability of the state to provide public goods and services, especially in the security area, has been in decline or stagnant despite the fact that the Indian state at every level has acquired considerable resources in the globalization era.

India is yet to utilize its soft power resources effectively. Strategy and diplomacy are crucial components of soft power to compensate for some of the weaknesses in the hard power area. Moreover, effective utilization of national power would require a proper grand strategy. Until recently, the Indian elite avoided this subject due to the fractious nature of its domestic politics. Grand strategy in contemporary times focuses not only on military security, but on economic security as well. It attempts to increase the wealth of the country since economic capability is equally important in gaining and retaining a state’s power position. A grand strategy is often an intervening variable in translating a state’s capabilities into actual power and influence in the international system. India’s lack of a proper grand strategy may be due to the need to accommodate divergent interest groups and political ideologies within India.

**CHANGING STRATEGIC CIRCUMSTANCES**

By the year 2000, India’s strategic position had improved appreciably. Many factors are responsible for this change. Most prominently, the United States has increasingly perceived India’s potential in balancing China. It can be argued that economic liberalization, sustained economic growth, favorable changes to the strategic environment, nuclear tests and the declaration of a no-first-use policy, and a measured response to Pakistani provocations have earned India the status of a “mature regional power.” Arguably, through its nuclear tests in 1998 India repositioned itself from a largely marginal player in the international system to a serious candidate or contender for major power status.28 The test allowed India to get out of its fence-sitter mode on the nuclear weapons issue. Had it remained there, India would have been clubbed along with Iran and North Korea by non-proliferation advocates. It is true though that in the immediate aftermath of the tests India’s relations with Pakistan deteriorated as the so-called stability-instability paradox entered the strategic relationship between these two states.29

Despite the initial intense opposition by the major powers, all of them in the end entered into a strategic or security dialogue with India. The reason for India’s acceptance as a de facto nuclear
power by the international community is the realization among leading states that, with two nuclear rivals and no membership in nuclear protected alliances, India may well have different security dynamics from those other countries pursuing the nuclear option. Moreover, India has behaved maturely in the nuclear proliferation area by refraining from offering assistance to other states seeking nuclear weapons. While India has thus elevated itself from a middle power to become a candidate major power, as Mohammed Ayoob has stated, this has been achieved without much forethought or strategic pre-planning.\textsuperscript{30} The strategic dialogue with the United States and other major powers also has helped India in clarifying its objectives, but greater levels of cooperation would require concrete policy postures and advancements in capabilities.

Some incremental but crucial changes have taken place in India’s foreign policy over the past two decades that reflect the economic and strategic realities outlined above. The foreign policy changes are also driven by the conviction of the Indian elite that they ought to make use of the favorable economic and strategic circumstances in order to emerge as a leading world power. These new attitudes are caused by changes in the international system, as well as India’s internal confidence deriving from newfound economic progress.\textsuperscript{31}

There are multiple elements to the new foreign policy dynamism that India has exhibited over recent years. The first is the deepening of the strategic and economic relationship with the United States. Second is the effort to improve relations with all other major powers. Third is the increased vigor in pursuing the “Look East” policy toward its ASEAN neighbors and East Asian states. Fourth is engaging with pivotal rising or resurging power centers such as China, Russia, Brazil, and South Africa in order to form bargaining groups that would strengthen India’s position in world trade forums and on other issues. Fifth is India’s focus on economic diplomacy including a vigorous search for new oil and gas sources in Africa and Latin America. Sixth, India is building up its armed forces as well as military hardware even while pursuing dialogue with neighboring states. And finally, it is continuing the peace process with Pakistan and China, although major concessions from the Indian side on the border issues are unlikely to come anytime soon, largely because of the constraints operating in the fractious democratic polity.

Deepening Ties with the United States

The change in US attitude toward India began in the early 1990s when in response to the Soviet collapse India began to adjust its foreign policy. However, the nuclear issue intervened as a significant stumbling block. The 1998 nuclear tests by India caused a major furor in international relations, and the US response was harsh, with Washington and its allies imposing a series of sanctions on New Delhi. However, the United States and India initiated a dialogue which eased many of the irritants. The 1999 Kargil conflict was a watershed for India-US relations, especially when President Bill Clinton sided with India and forced Prime Minister Nawaz Sharif to commit to a withdrawal of Pakistani forces from the Kargil Hills on the Indian side that the former had occupied. The Clinton visit to India in March 2000 was a major success, but it was the George W. Bush administration that initiated major changes in US policy toward India, especially in the nuclear area. The 1995 India-US nuclear deal that President Bush signed with Prime Minister Manmohan Singh elevated India to the status of a de facto nuclear weapon state while allowing it to engage in international nuclear trade. A series of steps were undertaken, including India bifurcating its civilian and military facilities, the Hyde Act which exempted non-NPT signatory India from nuclear trade sanctions, and the 123 Agreement and the waivers from the International Atomic Energy Agency (IAEA), as well as the Nuclear Suppliers Group (NSG) in September 2008. In the post–September 11
world the Indian perception of the United States has changed in a big way. The US war on terror in Afghanistan against Islamic radicals is part of the reason for the change. It is very plausible that had there been no September 11 attacks, India-US relations would have matured even further. The need for Pakistan’s support in the war in Afghanistan somewhat mellowed the level of cooperation that the United States could develop with India.

A number of concrete steps have been taken to strengthen this relationship. They include the joint exercises that Indian and US militaries have conducted, several defense deals that made the United States one of the leading sources of weapons for India, cooperation in the energy field, and bilateral strategic dialogues. Several rounds of dialogue have been held at the US secretary of state–Indian foreign minister levels. Two-way trade has also seen a considerable increase over the years. It is not only US companies that invest in India, but the reverse, with more and more Indian companies bringing capital to the United States. The two-way trade in 2011 stood at $86 billion. These economic, strategic, and demographic reasons call for optimism, with the latter variable emerging as very important in the coming years. Indian technical students are populating all US graduate schools, and Indian technology workers have been the largest recipients of H-1 visas for several years. Some 40 percent of Silicon Valley is led by Indian expatriates and companies with major India connections. They have emerged as a key force in linking Indian and American knowledge-based economies. The Indian diaspora is very active as a lobbying group in the United States and is emerging as a powerful electoral segment. As economic and security links have improved, the popular perceptions of Americans and Indians of each other have also changed for the better. However, India’s foreign policy may diverge on issues such as military action against Iran to forestall its nuclear weapons program, as well as on global trade issues. The United States sees India as a swing state along with Brazil, Indonesia, and Turkey. These are states that are “large and growing economies, occupy central positions in a region or stand at the hinge of multiple regions, and embrace democratic government at home,” and “increasingly active at the regional and global level, they desire changes to the existing international order but do not seek to scrap the interlocking web of global institutions, rules, and relationships that has fostered peace, prosperity and freedom for the past six decades.”

India has also maintained strong ties with Russia, especially as its traditional source of weapons acquisition. It is, however, difficult to see the emergence of a deep strategic relationship as transpired during the Cold War era even if Russia emerges as a global power once again. This is because India has been diversifying its economic and military sources and Russia has only very limited non-military and non-oil resources for India’s fast-globalizing economy.

With respect to China, India’s foreign policy has maintained an outward cordiality, but there are ongoing tensions in relations. Over the past few years, several border incidents of Chinese troop intrusions in disputed areas have occurred which are not reported by the world media but are picked up by the Indian media. These incidents reflect the continued rivalry that these states have over territory, influence, and policies over Tibet, Pakistan, and the emerging US-India relationship. China has also incurred Indian hostility by affixing stapled visas for residents of Jammu, Kashmir, and Arunachal Pradesh, the latter it considers as part of its extended territorial claim. As China attempts to expand its military bases in Tibet and its economic and potentially military outposts in the Indian Ocean rim countries such as Bangladesh, Sri Lanka, Burma, and Pakistan, India is pressured to counter such moves as evident in the increased activism by the two states in Burma. The increasing economic links between China and India somewhat cushion the rivalry from escalating to a full-fledged military competition, but this could change.

While India has improved its engagement with the major powers, a notable weakness of the Indian
foreign policy approach has been the neglect of its own immediate region, South Asia. This is an inevitable result of India’s desire to transcend the region and not get mired in the quarrels of its smaller neighboring states. The regional states are all weak countries with multiple security, economic, and demographic challenges that spill over into India. India is affected by internal and external Islamic terrorist cells that have emerged in the region. There are indeed some changes in this policy, largely the result of China’s increased activism in the Indian Ocean region. Beijing has helped to build ports (Gawdar in Pakistan, Chittagong in Bangladesh, Komagatta in Sri Lanka, and a few others in Myanmar), although they are now used largely for commercial purposes. It has also been active in building roads and infrastructure in Nepal, Myanmar, and Pakistan. In response, India has stepped up infrastructure projects in these countries, except Pakistan. The Indian Ocean littoral, including India’s South Asian neighbors, will be a major locale for the competition between China and India with an active presence of the United States in the years to come.

EXPLAINING FOREIGN POLICY CHANGE IN INDIA

It is intriguing from an international relations perspective what generates change and continuity in India’s foreign policy behavior. Change in foreign policy can be explained using theories at three levels of analysis pertaining to systemic, state (internal), and individual factors. Systemic-level factors are externally driven such as the end of the Cold War, or the rise of China and the dominance of the United States. Internal factors could be the orientation of the political and bureaucratic elite, as well as domestic economic considerations. The absence of strategic elite thinking or a consensus to make judgments on foreign policy issues could be an internal constraint. Individual-level factors include leaders’ perceptions and their capacity to make informal policy assessments and choices.

In India’s case, factors at all these levels have influenced or constrained India’s foreign policy options. It must be remembered that the systemic and sub-systemic factors act as underlying variables for foreign policy outcomes. It is the domestic- and individual-level variables that shape the policy choices in most critical dimensions. Yet the big changes in Indian foreign policy cannot be attributed without reference to systemic and external variables such as the end of the Cold War, as well as the intensified globalization phenomenon in which India has actively participated. It must be recognized that India has changed course from its earlier non-aligned posture to a player willing to engage in limited balance of power. Even when there has been no overarching strategic planning, some level of strategic formulation has developed, especially under the governments of Manmohan Singh and his predecessor, Vajpayee. There is something of a consensus among leading political parties in India on the need to form limited alignments with Western powers and Japan in view of the rise of China, even when there are still calls from influential opinion makers in favor of adopting a modified non-aligned posture. In the second decade of the twenty-first century, India has come a long way from its isolation and is looked upon as a policy partner by most Asian and Western powers.

Among the international relations theory perspectives, neo-classical Realism explains India’s foreign policy behavior the best. According to this perspective, systemic variables have to be factored through domestic-level and individual-level variables in order to understand the particular foreign policy choices of a country. Neoclassical Realists believe that the scope and ambition of foreign policy are primarily determined by systemic factors and the material capabilities of states vis-à-vis other actors. However, intervening variables at the state and individual level affect the manner in which a state formulates its foreign policy as well as responds to systemic opportunities and constraints. Elite perceptions affect how they respond to foreign policy challenges and opportunities. Thus, for neoclassical Realists, particular national contexts matter for foreign policy outcomes more.
than structural Realists account for. The end of the Cold War and the collapse of the Soviet Union affected India like all other states in the world. This systemic event did make the initial push for change in offering policy adaptation. India in particular lost its patron, and this affected the Indian position and economic situation. The closed economic model also showed its failure. However, the manner in which India changed, and its lingering difficulties in coming up with a concrete policy posture, suggests that domestic politics still matter in how India responds to its new environment.

India’s slow but steady acquisition of capabilities, both military and economic, as well as its efforts to acquire major power status suggest that systemic factors are working behind these policy choices, although they often appear to be lacking in cohesion or concerted effort.

FUTURE STRATEGIC TRAJECTORIES

In the next decade India is likely to pursue both limited hard-balancing and low-cost soft-balancing strategies to achieve its security and economic objectives. It is unlikely to conclude a deep alliance with any of the great powers but may indeed pursue a somewhat limited coalition strategy even when it is not stating so. The state of relations among the great powers is a major variable in this approach. Although situations can change, and crises can develop over Taiwan or in relations between Japan and China, the US and China, or the US and Russia, the prospects of intense hard-balancing—based on arms builds and alliances—emerging in Asia anytime soon look low. Hedging, economic balancing, limited hard-balancing, and soft-balancing are all more likely strategies for states including India in the foreseeable future. Countries are playing sophisticated strategic games in the twenty-first century partly due to globalization and the difficulties of waging interstate wars. A form of recessed general deterrence has taken root among major powers as well. However, all the key states are likely to continue their military and technological competition even when they do not expect a major war. Much of it is hedging against future rivalries and aimed at preserving their own leading role in the international system. India’s position is likely to change if China steps up its offensive territorial strategy and engages in military attacks or opts for a major escalation of conflicts on the Indian border as well as in the Indian and Pacific oceans.

For concerned states, including the United States, India’s economic and military development may be important for neutralizing China’s dominance in Asia and beyond. While the full economic containment of China is difficult, economic balancing may be possible. The sheer existence of multiple economic powerhouses, such as India and Japan in Asia, may mellow China, especially in the strategic arena. Tight Cold War–era-style alignments are also unlikely to succeed because of the absence of intense ideological competition among the great power states. During the Cold War, the Soviet Union posed a fundamental threat to the West, and vice versa, as the USSR was ideologically revisionist and was perceived as a major challenge to the Western liberal order. Although China professes communism, it does not yet pose a major ideological challenge to the West, or to its Asian allies. China is also an intensely Westphalian sovereignty-conscious nation and has little inclination to engage in regime change in other countries. Without a direct Chinese military challenge, it is unlikely that an intense balancing coalition will emerge toward it.

In the face of its regional challenges from Pakistan and China, India is likely to expand its nuclear capability by doubling it to the two hundred weapon range, but it is unlikely to go for an expansive nuclear force as some critics fear. Considerable internal and external constraints exist to prevent such a move. India may have little to gain by acquiring too many weapons, unless it has a first-use posture. Doctrine and the strategic environment rule that possibility out, at least for now. However, a steady expansion of naval power by India is likely in the face of China’s growing capabilities and the
Globalization is creating both opportunities and constraints for India and other states in Asia. They have more money to arm, but fewer propensities to wage wars as the costs of war are too high. In Asia, a partial stability has emerged that is both deterrence based and economic interdependence based. A kind of mixed Realist-Liberal world is emerging which is more complex than the one during the Cold War era. More nuanced tools may be necessary for states to tackle the multifarious problems they encounter. However, increasing nationalism in China, and more belligerent actions by Beijing and an active US response, could change the dynamics. India is also likely to increase economic and security interactions with the United States, Japan, Australia, and the ASEAN states. Much will depend on how India sorts out its domestic politics. If inward-looking regionally or caste-based political parties emerge as power holders in New Delhi, India may slide into a period of global inactivity. However, coalition governments led by either the Congress or the right-wing Bharatiya Janata Party (BJP) are most likely to pursue vigorous foreign policy goals, especially if they are not constrained by smaller coalition members as the Congress-led United Progressive Alliance (UPA) was by the communists until recently.

To sum up, the rise of India is occurring, and it has been a major beneficiary of the deepened globalization process in the post–Cold War era—but myriad domestic difficulties constrain India from pursuing a blitzkrieg strategy for obtaining its strategic or economic goals. It may well be a good thing for the international order that rising India is not a revisionist power, but one that seeks slow integration into the great power system while emerging as a bridge builder between various centers of power, as well as developing countries.

NOTES


2. Soft balancing is a strategy using institutions, limited alliances or ententes, and economic instruments to constrain the power of a threatening state. Traditional hard-balancing strategies involve active and formal military alliances and/or intense arms buildups to constrain or balance the power or the threatening behavior of an adversary. For more on this, see T. V. Paul, “Soft Balancing in the Age of U.S. Primacy,” International Security 30, no. 1 (Summer 2005): 46–71; Robert A. Pape, “Soft Balancing against the United States,” International Security 30, no. 1 (Summer 2005): 7–45.


4. The strategy involves moving some 60 percent of the US naval forces to the Pacific from its current 50 percent, stationing and rotating of additional troops such as 2,500 marines to a base in northern Australia, and building a network of regional allies. It also envisages the creation of strategic partnerships with India and Vietnam and enlarging the Pacific Ocean to include the Indian Ocean in strategic terms, and not slashing military spending for the Pacific region even when the US defense budget is reduced. On this, see “Pivot to the Pacific? The Obama Administration’s ‘Rebalancing’ Toward Asia” (Congressional Research Service Report, March 28, 2012), http://www.fas.org/sgp/crs/natsec/R42448.pdf.


6. For these figures, see Paul Kennedy, The Rise and Fall of the Great Powers (New York: Random House, 1987), 149.


India's "Extended Neighborhood" Concept: Power Projection for a Rising Power

David Scott

To cite this article: David Scott (2009) India's "Extended Neighborhood" Concept: Power Projection for a Rising Power, India Review, 8:2, 107-143, DOI: 10.1080/14736480902901038

To link to this article: http://dx.doi.org/10.1080/14736480902901038

Published online: 29 May 2009.

Submit your article to this journal

Article views: 3818

View related articles

Citing articles: 5 View citing articles
India’s “Extended Neighborhood” Concept: Power Projection for a Rising Power

DAVID SCOTT

Introduction

In recent years Indian governments, whether led by the BJP (Bharatiya Janata Party) after 1998 or by the Congress Party after 2004, have woven the term extended neighborhood into their foreign policy formulations. In doing so, they have responded to concerns of Indian commentators in 1997 that “India should break out of the claustrophobic confines of South Asia.”¹ The regions within South Asia, the Indian subcontinent, the members of SAARC (South Asian Association for Regional Cooperation), represent India’s immediate neighborhood. The regions beyond South Asia represent India’s extended neighborhood. This article first looks at India’s extended neighborhood concept in terms of its theory, pinpointing India’s concerns and aspirations in its extended neighborhood conceptualization. The article then looks in detail at India’s extended neighborhood concept in terms of its practice; measuring how far such Indian concerns and aspirations have been realized, how far an extended neighborhood policy has been successfully implemented.

This vision of an extended neighborhood involves power projection by India; be it hard power military and economic projection or be it soft power cultural and ideational strands. The extended neighborhood has become the conceptual umbrella for India; eastwards, southwards, northwards and westwards; amidst what some have called an omnidirectional “360-degree vision” of the opportunities available to India outside South Asia.² This was well expressed in 2006 by the Minister for External Affairs, Pranab Mukherjee; “India’s foreign policy today looks at India’s environment in expanding circles . . . starting with the immediate

David Scott is Lecturer in international relations at Brunel University.
neighbourhood . . . moving on to . . . the extended neighbourhood.” This circles metaphor has become something of a mantra for Indian policymakers, Foreign Secretary Shiv Shankar Menon telling British audiences in 2007 that “as we move beyond Southern Asia to India’s extended neighbourhood . . . from the broader perspective, we regard our security as lying in a neighbourhood of widening concentric circles.”

India’s extended neighborhood concept can be distinguished from the earlier globalist rhetoric of Jawaharlal Nehru and from the subsequent South Asian focus of Indira Gandhi. The concept was pushed with some vigor under Atal Bihari Vajpayee’s BJP administration of 1998–2004, which quickly announced “our concerns and interactions go well beyond South Asia. They include other neighbours, and countries immediately adjoining this region – our ‘extended neighbourhood’.” Whereas the term “extended neighbourhood” was absent for the Ministry of External Affairs’ Annual Report of 1999–2000, it appeared in the Annual Report for 2000–01 as something to be distinguished from India’s “immediate neighbourhood.” As the then Minister for External Affairs, Yashwant Sinha, explained in 2004; “this Government, over the last six years, has assiduously promoted the idea that India is a major power . . . We have articulated the concept of an extended neighbourhood for India.” This indeed represented a change, for Indian commentators like C. Raja Mohan it was a “bolder” foreign policy, reflecting “a new awareness . . . of India’s ‘extended neighbourhood’.” By 2004 the Indian government was affirming “the concept” of an extended “extended neighbourhood for India which stretches from the Suez Canal to the South China Sea and includes within it West Asia, the Gulf, Central Asia, South East Asia, East Asia, the Asia Pacific and the Indian Ocean Region.” The Congress Party under Manmohan Singh, which took office later in 2004, has reiterated the importance of the extended neighborhood within Indian security and foreign policy formulations. Such a concept has also lodged itself within the official bureaucracy, diplomatic services and military circles.

Concerns and Aspirations
Geo-economic considerations are an explicit element of India’s concerns in its extended neighborhood concept. There is a sense that South Asia, India’s immediate neighborhood, is too small an economic space for India. Such economic considerations have been further strengthened under the Congress administration, where the Manmohan
India’s “Extended Neighborhood” Concept 109

*Doctrine* emphasizes economic development as a driver for foreign policy, in shaping India’s strength, interests and relationships. In such an economic vein, Manmohan Singh explained that “our approach to the wider Asian neighbourhood has been so influenced by economic factors.”10

If one looks at trade by regions (Table 1), it is clear that India’s trade is developing closer links with the regions comprising its extended neighborhood.11 If we couple export/import shares of India’s trade by region then noticeable variations emerge when comparing April–June 2008 figures with those from April–June 2007. At the global level, the EU and the US remain important trade partners for India, their April–June 2008 respective exports/imports share of India’s trade being 22.05/28.19 (EU) percent and 10.44/5.12 (US) percent. Russia, despite close military links, is a small economic partner, accounting for 1.18/0.64 exports/imports shares of India’s trade. Equally marginal is India’s immediate neighborhood of South Asia, its April–June 2008 export/import share of India’s trade being 5.33/0.64 percent. Overall a look at the period 2003 to 2008 (Table 2) shows South Asia’s already small 3.52 percent share of India’s trade in 2003–04 declining still further to a 2.83 percent share by 2007–08.

TABLE 1

<table>
<thead>
<tr>
<th>% Share</th>
<th>April–June 2007</th>
<th>&lt; = Exports</th>
<th>= &gt; Imports</th>
<th>% Share</th>
<th>April–June 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>23.80</td>
<td>11,446.62</td>
<td>1) Europe</td>
<td>15,187.19</td>
<td>19.56</td>
<td></td>
</tr>
<tr>
<td>22.05</td>
<td>10,606.92</td>
<td>2) Africa</td>
<td>10,384.14</td>
<td>13.37</td>
<td></td>
</tr>
<tr>
<td>6.77</td>
<td>3,254.91</td>
<td>2.1 Southern Africa</td>
<td>4,630.79</td>
<td>5.96</td>
<td></td>
</tr>
<tr>
<td>1.91</td>
<td>919.19</td>
<td>2.2 West Africa</td>
<td>3,099.27</td>
<td>3.99</td>
<td></td>
</tr>
<tr>
<td>1.50</td>
<td>722.38</td>
<td>2.3 Central Africa</td>
<td>116.13</td>
<td>0.15</td>
<td></td>
</tr>
<tr>
<td>0.17</td>
<td>79.84</td>
<td>2.4 East Africa</td>
<td>56.08</td>
<td>0.07</td>
<td></td>
</tr>
<tr>
<td>3.19</td>
<td>1,533.49</td>
<td>3) North America</td>
<td>4,368.15</td>
<td>5.63</td>
<td></td>
</tr>
<tr>
<td>11.13</td>
<td>5,351.95</td>
<td>4) Latin America</td>
<td>3,085.34</td>
<td>3.97</td>
<td></td>
</tr>
<tr>
<td>53.52</td>
<td>25,742.06</td>
<td>5) Asia &amp; N. Africa</td>
<td>48,504.75</td>
<td>62.47</td>
<td></td>
</tr>
<tr>
<td>0.85</td>
<td>408.90</td>
<td>5.1 Australasia/S. Pacific</td>
<td>2,316.80</td>
<td>2.98</td>
<td></td>
</tr>
<tr>
<td>12.43</td>
<td>5,980.72</td>
<td>5.2 ASEAN</td>
<td>6,863.52</td>
<td>8.84</td>
<td></td>
</tr>
<tr>
<td>20.46</td>
<td>9,839.97</td>
<td>5.3 W. Asia/N. Africa</td>
<td>24,614.58</td>
<td>31.70</td>
<td></td>
</tr>
<tr>
<td>14.45</td>
<td>6,949.53</td>
<td>5.4 NE. Asia (inc. PRC)</td>
<td>14,214.36</td>
<td>18.31</td>
<td></td>
</tr>
<tr>
<td>5.33</td>
<td>2,562.93</td>
<td>5.5 South Asia</td>
<td>495.50</td>
<td>0.64</td>
<td></td>
</tr>
<tr>
<td>1.07</td>
<td>514.37</td>
<td>6) CIS &amp; Baltics</td>
<td>1,424.26</td>
<td>1.83</td>
<td></td>
</tr>
<tr>
<td>0.13</td>
<td>61.99</td>
<td>6.1 Central Asia</td>
<td>53.40</td>
<td>0.07</td>
<td></td>
</tr>
<tr>
<td>0.94</td>
<td>452.68</td>
<td>6.2 Others (inc. Russia)</td>
<td>1,370.86</td>
<td>1.77</td>
<td></td>
</tr>
<tr>
<td>0.50</td>
<td>241.43</td>
<td>7) Unspecified Region</td>
<td>438.89</td>
<td>0.57</td>
<td></td>
</tr>
<tr>
<td>100.00</td>
<td>48,098.43</td>
<td>Total</td>
<td>77,639.39</td>
<td>100.00</td>
<td></td>
</tr>
</tbody>
</table>
Conversely, India’s trade patterns show an increasing focus elsewhere to its extended neighborhood. ASEAN’s April–June 2008 figure of 12.43/8.84 percent export/import trade share with India overshadows South Asia’s figure 5.33/0.64 percent export/import share. The increase in Indian exports to ASEAN of 122.78 percent between the April–June 2007 and April–June 2008 figures being the most rapid increase of all, with ASEAN jumping ahead of North America as the biggest regional destination for Indian exports. Within the West Asia/North Africa region, it is the states in India’s extended neighborhood of the Gulf/Middle East that showed the biggest increases and share; namely the UAE, Saudi Arabia, Iran and the Yemen. Within Africa, it is the Indian Ocean littoral (India’s southwestern extended neighborhood) of East Africa that has seen the next biggest advances when comparing April–June 2007 and April–June 2008, some 81.64 percent increase in exports, whereas West Africa’s share of India’s exports shrunk by 30.50 percent! Whilst the overall volume of trade with Central Asia is low, energy imports are soaring, resulting in the April–June 2008 import figures showing a rise of 128.54 percent from April–June 2007, the highest regional growth, with the exception of micro rogue figures from Central Africa.

Energy is a particularly significant aspect of India’s trade in its extended neighborhood. Growing consumer demand, ongoing industrialization and high tech advances all mean a growing demand for oil and gas energy imports in India, and with it lines of trade to secure, and perhaps defend? The *Hydrocarbon Vision 2025* report, presented to the Indian government in February 2000, set out India’s energy security predicament in stark terms. A decline in India’s crude oil self-sufficiency from 65 percent in 1989–90 to 30 percent in 2000–01 was envisaged as

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sri Lanka</td>
<td>1.07</td>
<td>0.92</td>
<td>1.03</td>
<td>0.87</td>
<td>0.83</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>1.28</td>
<td>0.87</td>
<td>0.71</td>
<td>0.59</td>
<td>0.77</td>
</tr>
<tr>
<td>Pakistan</td>
<td>0.24</td>
<td>0.32</td>
<td>0.34</td>
<td>0.54</td>
<td>0.54</td>
</tr>
<tr>
<td>Nepal</td>
<td>0.67</td>
<td>0.58</td>
<td>0.49</td>
<td>0.40</td>
<td>0.51</td>
</tr>
<tr>
<td>Afghanistan</td>
<td>0.13</td>
<td>0.11</td>
<td>0.08</td>
<td>0.07</td>
<td>0.07</td>
</tr>
<tr>
<td>Bhutan</td>
<td>0.10</td>
<td>0.08</td>
<td>0.07</td>
<td>0.06</td>
<td>0.07</td>
</tr>
<tr>
<td>Maldives</td>
<td>0.0</td>
<td>0.02</td>
<td>0.03</td>
<td>0.02</td>
<td>0.02</td>
</tr>
<tr>
<td>Total</td>
<td>3.52</td>
<td>2.90</td>
<td>2.75</td>
<td>2.55</td>
<td>2.83</td>
</tr>
</tbody>
</table>
India’s “Extended Neighborhood” Concept

dropping still further, with rising demand outstripping domestic production, necessitating rising imports, and leaving crude oil self-sufficiency at a low 15 percent by 2024–25.

Resultant “energy diplomacy” imperatives have been evident, Manmohan Singh noting that that “our concern for energy security has become an important element of our diplomacy and is shaping our relations with a range of countries . . . in West Asia, Central Asia.” The government’s logic is that “in order to enhance energy security of the country, the government are encouraging oil public sector units (PSUs) to pursue aggressively equity opportunities in the oil and gas sector overseas.” The main commercial vehicle for meeting India’s energy requirements has been the state-owned ONGC (Oil and Natural Gas Corporation), through its international subsidiary OVL (ONGC Videsh Limited). OVL’s role is publicly and politically recognized by the government, “one of the major initiatives taken towards enhancing energy security in the country is the concerted efforts to acquire equity oil and gas abroad and participating interest in producing or prospective properties. ONGC-Videsh Limited (OVL) and other National Oil Companies are already involved in 14 countries.” The Indian government is clear enough on the security implications of this; “you only have to look at the investments ONGC Videsh is making in extra-regional but energy-rich areas such as Sakhalin, Sudan . . . to realize how our maritime interests are growing.”

Military figures have taken this energy focus on board. As Chief of Staff of the Indian navy, Arun Prakash’s analysis was stark, “we have an energy crisis of serious proportions, looming over us”; from which if India was going “to invest such vast amounts of national resources in locations as far afield as Middle East, Africa, Central Asia and SE Asia, it is essential that we take adequate security measures to safeguard our assets and interests” in those extended regions. His successor as Chief of Naval Staff, Sureesh Mehta, similarly argued the need “to protect the country’s economic and energy interests. This task has extended our area of operations. This might necessitate our operating in distant waters.” However, such energy considerations bring India up against China in many parts of India’s extended neighborhood, with energy rivalry particularly evident in Central Asia and Southeast Asia.

If we turn from geo-economic to geo-strategic references, India’s extended neighborhood concept has moved out from the immediate South Asia neighborhood focus of the Indira Doctrine. On becoming
Minister for External Affairs, Jaswant Singh was announcing in Singapore in 2000 that “South Asia was always a dubious framework for situating the Indian security paradigm”; for “India’s parameters of security concerns clearly extend beyond confines of the convenient albeit questionable geographical definition of South Asia.” This logic was not just coming from Jaswant Singh. Other parts of the BJP administration followed a similar path. Indian embassies in 1999 were already arguing that our “extended neighbourhood . . . applies not only in a geographical sense, but also in relation to the large issues of development, and security.”

Within the subsequent Congress-led government of Manmohan Singh, Defence Secretary Shekhar Dutt argued that “given the size of the country and its role in the comity of nations, our security concerns are not limited to our immediate neighbourhood . . . India’s area of security interest extends beyond the confines of the conventional geographical definition of South Asia”; for “India’s security environment extends from the Persian Gulf to the Straits of Malacca across the Indian Ocean, including the Central Asian region in the North West, China in the North East and South East Asia.” Such a “security environment” is none other than India’s extended neighborhood. This strategic perception can be traced further up the political chain. The Congress Minister of Defence A. K. Antony told the Army Commanders Conference in 2007 that “India’s enhanced stature will demand that it plays a role commensurate to its stature, potential and aspirations. It need not be over-emphasised that our strategic interests extend far beyond the South Asian region.” Pranab Mukherjee, Minister for External Affairs, argued at the start of 2007 that “India’s vision for the future . . . has essentially been to expand India’s strategic space . . . engagement with our extended neighbourhood . . . has become at once intense and broad ranging.”

This strategic sense of India’s extended neighborhood has generated military considerations. This was why the Indian Ministry of Defence pointed out that “India is making every effort to enhance its defence ties with its extended neighbourhood in Southeast Asia, Northeast Asia, Central Asia, the Gulf and Middle East regions.” Its Minister, A. K. Antony, was blunt enough in his explanation, “with our growing stature, the need of the hour is to develop stronger defence capabilities to safeguard our interests”; in which “we will be called upon to play an increasingly significant role in ensuring peace and
India’s “Extended Neighborhood” Concept

stability in our immediate as well as extended neighbourhood.”

India’s navy is playing a prominent part in this extended neighborhood setting; deployed to India’s south, east and west in deliberate wide-ranging naval diplomacy. In the words of the Indian navy, “a sharply increased tempo of operational activities . . . makes the Indian navy a key component of the nation’s foreign policy initiatives.” A sense of impact is palpable in naval circles, the Indian navy noting of such naval deployments “the ships have projected a brilliant picture of a militarily strong, vibrant and confident India. This year too [2005], Indian naval ships have comprehensively established their footprint in areas of our maritime and strategic interest within the Indian Ocean Region and beyond, visiting 45 ports in 30 countries in Europe, the Persian Gulf, the Red Sea, the Indian Ocean Region, and, the South China Sea.”

Four concerns have so far been identified as underpinning India’s extended neighborhood framework, namely trade, energy, security and military concerns. Comparative concerns also enter the picture, where competitive nuances are at play in India’s concerns in its extended neighborhood. Two particular competitors have been apparent for India. One is the established near neighbor Pakistan. The generally hostile India–Pakistan relationship within South Asia has spilled over into the wider extended neighborhood; into Central Asia, West Asia, the Indian Ocean, and Southeast Asia. Even bigger competitive elements are apparent vis-à-vis China in India’s extended neighborhood; be it in terms of China and India’s respective unilateral power projection there, in their bilateral relations with other countries there, and in their roles in the varied regional organizations operating there.

The Sino-Indian extended competition has been recognized by many Indian and Chinese commentators, even if the two governments publicly stress win–win economic cooperation. China, along the disputed Himalayan borderline, is a problematic factor for India in its immediate neighborhood, further exacerbated by Indian fears of Chinese encirclement within South Asia through China’s strategic proxies like Bangladesh, Pakistan and perhaps Nepal. However, the Sino-Indian encounter and competition extends much further afield. As Zhang Guihong admitted, “an emerging India does mean a strong competitor for China from South, West, Southeast and Central Asia to Indian and Pacific Oceans where their interests and influences will clash.” From the Indian side, for Kapila, “India’s definition of her strategic frontiers
clash and will be in conflict with those of China. This is painfully so . . . China cannot be India’s ‘natural ally’ in any of the regions incorporated in India’s strategic frontiers, because of competing strategic interests.”

India’s extended neighborhood (its “strategic frontiers”) cuts into China’s own backyard in Central Asia and Southeast Asia, and both states seek to project their presence and power into the Indian Ocean.

All this raises the question of how successful India has actually been in translating its extended neighborhood rhetoric into reality. In other words, how far has it been successful in trade, energy, security and military settings in its extended neighborhood? Such challenges can now be tracked in India’s extended neighborhood to the south, east, north and west of South Asia.

Implementation – Southwards

A southerly implementation of India’s extended neighborhood drive has become well established throughout much of the Indian Ocean and its littoral, where India’s strategic “footprint” is becoming noticeable. Maritime means and Mahanian “visions” shape this strategic drive by India. This outreach had been quickly enunciated by the BJP government, its Ministry of Defence Annual Report announcing in 2001 that “given its size, location, trade links and extensive Exclusive Economic Zone (EEZ), India’s security environment extends from the Persian Gulf in the west to the Straits of Malacca in the east . . . to the Equator in the south”; and was something to be safeguarded by the presence of the Indian navy. The essential thing for Pranab Mukherjee, as the then Minister of Defence, was that “India sits astride the Indian Ocean . . . therefore, maritime security is a major preoccupation for India . . . in the Indian Ocean.”

India’s navy is well aware of its potential role, “the Indian Navy is . . . ideally suited to further the foreign policy objectives of India. It has the added advantage that the Indian peninsula juts into the Indian Ocean thus providing access to the littorals of far-flung countries of Asia and Africa and also to Australia and Antarctica.”

India’s concerns in the Indian Ocean have been threefold: to deter hostile powers from operating against India, to maintain SLOC (Sea Lines of Communication) for general trade and particularly energy supplies, and to project India’s general presence and power.
One manifestation of this growing Indian naval role in the Indian Ocean has been India’s deployment of powerful naval units to exercise with the navies of extra-regional powers in the Bay of Bengal, Arabian Sea, Gulf of Aden, and Cape of Good Hope. These exercises have achieved noticeable range during the last decade. They involve India with France (VARUNA exercises since 2001), Russia (INDRA exercises since 2003), Britain (KONKAN exercises since 2004), Brazil and South Africa (IBSA exercises commencing 2008) and above all the US (MALABAR exercises since 1992, suspended 1998, resumed 2002). Such exercises have been complemented by India’s hosting of the MILAN exercises since 1995, organized from India’s FENC (Far Eastern Naval Command) at Port Blair in the Andaman islands. These exercises in the Bay of Bengal initially involved five nations; India, Sri Lanka, Thailand, Singapore and Indonesia. The numbers of navies participating in the MILAN exercises have gradually increased over the years; five in 1995, seven in 1997, seven in 1999, eight in 2003, nine in 2005, and thirteen in 2008. In 2008, apart from the nine ASEAN (Association of Southeast Asian Nations) countries, the navies of Bangladesh, Sri Lanka, Australia and New Zealand were also invited to participate in the MILAN exercise. Neither Pakistan nor China was invited to participate.

India’s formation and hosting of the IONS (Indian Ocean Naval Symposium) in February 2008 was another clear and successful sign of India’s naval diplomacy for the region; India’s navy chief Admiral Sureesh Mehta explaining “many navies of the Indian Ocean Region look to India to promote regional maritime security,” in effect to show some regional leadership. Chinese sources were quick to report the comments by Rear Admiral Pradeep Chauhan, Assistant Chief of Naval Staff, that the IONS would “obviate the dependency on extra regional players in the region,” and thereby enable India to take a lead and show its clear regional preeminence. Whilst official statements about the IONS were fairly bland, a “non-hegemonistic, cooperative consultative gathering,” Indian media sources were clear enough, that “with India’s growing clout . . . the navy has floated a maritime military bloc” for the Indian Ocean, led in effect by India.

India’s naval assets have taken on an increasingly long-range capacity. A growing number of advanced warships are deployed on naval diplomacy around the Indian Ocean. India’s drive for nuclear submarine capability and expanded aircraft carrier capacity is with long-term long-range seapower projection in mind. A localized coastal-hugging
brown-water fleet is being replaced by a blue-water fleet able to operate throughout the Indian Ocean.** A different sort of progression for India has been that of its airpower over the Indian Ocean. The plans announced in April 2007 for an expanded naval air station near Rameshwaram was seen by Commodore Phillip Van Haltren, naval officer-in-charge Tamil Nadu, as significant: “a naval air station will enable us to make our presence more felt and we can cover the entire Indian Ocean.”** India has had long-range surveillance and reconnaissance capacity for some time, as with the purchase of TU-142M aircraft from the Soviet Union in 1988, aircraft with a range of around 7,500 miles, which have been capable of flying from Mumbai to Johannesburg and back without mid-air refueling. Currently these Tupolev aircraft are being replaced by more advanced Boeing P-8A spy planes. Sureesh Mehta’s sense was that this would maintain India’s “long-range surveillance capability to keep track of goings-on in the region between the horn of Africa and Malacca Straits and even beyond in South China Sea.”**

An extension of India’s maritime extended neighborhood has been evident as India’s involvement has reached past the Equator. Admittedly US military power is ensconced at Diego Garcia in the middle of the Indian Ocean, but India is looking still further south-westwards. India’s then Chief of Naval Staff, Arun Prakash, judged that an “area of vital interest to us lies in the expanse of the seas; the island nations of the Indian Ocean . . . Mauritius, Seychelles and Comoros” where “we cannot afford to have any hostile or inimical power threatening it . . . Our armed forces are always prepared to help . . . in policing their waters or airspace.”** Consequently, neighborhood naval diplomacy has seen regular dispatch of Indian vessels to those distant Indian Ocean island states during the last decade. Mauritius is of particular significance, given its majority Indian population. A *Memorandum of Understanding* in 2005 initiated India’s patrolling of Mauritius’ Exclusive Economic Zone. Such has been this extension past the equator that the Antarctic has been brought into India’s purview, the government pointing out “the importance of Antarctica as a major maritime interest of India;” so that in the Indian Ocean “the primary area of interest ranges from the Persian Gulf in the north, to the Antarctica in the south,” with the Antarctic being a “treasure house of potential mineral resources, including petroleum.”**
Such neighborhood creep in the Indian Ocean has also taken India further southwestwards to the African littoral. India set up a radar surveillance monitoring station in northern Madagascar in 2006, the first of its kind for India to be located in another country. Across the Mozambique Channel, India has established a naval presence in and around Mozambique; over 3,500 miles from India. Indian naval vessels were deployed off Maputo to provide protection for the African Union summit of 2003 and the World Economic Forum in 2004. Such extension was formalized in March 2006 with the India–Mozambique Memorandum of Understanding, under which India agreed to mount ongoing maritime patrols off the Mozambique coast. Naval diplomacy and showing the flag has become an established feature of India’s presence along the African littoral during this past decade, with rising numbers of units deployed and with greater frequency. Typical of the established nature of such deployments was that of four Indian warships, INS Delhi, INS Talwar, INS Godavari and INS Aditya, which paid port calls to Mombassa (Kenya), Dar es Sallam (Tanzania), other east African ports, Madagascar and Mauritius during a two-month deployment from July to September 2008.

India has developed strategic and economic links with South Africa, with the Cape of Good Hope treated as a strategic entry point into the Indian Ocean, a gateway that India can and does keep track of. Naval cooperation between India and South Africa was apparent by 2000.43 2004 saw the Indian Air Force conducting combined exercises with its South African counterpart. Indian Mirage 2000 fighters were deployed from north-central India and flew, aided by newly acquired Il-78 aerial tankers, to South Africa via Mauritius. India and South Africa conducted combined naval drills off the South African coast in June 2005. Such was India’s interest and capability that November 2005 saw an Indian TU-142F long-range reconnaissance plane tracking a Chinese cargo ship carrying two Kilo-class submarines, the Indian plane following the Chinese ship as it traversed and went across the Indian Ocean from the Cape of Good Hope back to China. Indian naval vessels were deployed across the Indian Ocean to take part in a ten-day trilateral IBSAMAR exercise with South African and Brazilian naval units in the waters off Cape Town during May 2008. Khurana’s sense of its importance was clear enough; the 4,000-mile deployment by India “signals the increasing reach and sustainability” of the Indian navy, and “is indicative of an increasing realisation
among policy-makers . . . of the imperative of safeguarding their geographically expanding interests and meeting their international obligations as [a] potential major power.”44

In security terms India has been fairly successful in its extended neighborhood of the Indian Ocean. India’s presence in the southwestern quadrant around Mauritius, Mozambique and Madagascan waters is particularly noticeable. The ability of Pakistan to effectively challenge India on the high seas has largely disappeared, potential challenges from Indonesia and Australia have faded, and the United States has evolved into a cooperative and supportive presence rather than an antagonistic presence, ready to step aside to some extent as it concentrates more on the Pacific and the Gulf. The United States, increasingly working with India in a growing strategic partnership, seems ready to accept this growing Indian role in the Indian Ocean; in the words of the US Secretary of Navy, Donald Winter, welcoming India “taking up the responsibility to ensure security in this part of the world.”45

Whilst the Indian Ocean has been the focus for a marked and quite successful Indian naval presence and projection, what of India’s economic and energy aspirations? If one looks at trade figures (Table 3), within the Indian Ocean the island states like the Comoros, Seychelles and Reunion are too small to have much trade significance, though Mauritius is more significant. Mauritius also happens to have a majority Indian ethnic makeup, and strong security links with India. The littoral states have greater importance, South Africa and Kenya in quantity terms, with Kenya and Mozambique increasing their share of India’s trade during 2003–08 from 0.19 to 0.40 and 0.07 to 0.12 percent respectively. Trade to India’s southeast, to Western Australia, accounted for

| TABLE 3 | INDIA’S TRADE WITH SOUTH/EAST AFRICA AND THE INDIAN OCEAN BASIN (US$ MILLION) |
|---|---|---|---|---|---|
| S. Africa | 2,438.53 | 3,181.70 | 3,998.67 | 4,714.47 | 6,270.46 |
| Mozambique | 92.76 | 122.86 | 178.15 | 219.86 | 493.21 |
| Tanzania | 285.10 | 305.53 | 363.21 | 386.63 | 751.79 |
| Kenya | 271.41 | 473.36 | 625.06 | 1,370.90 | 1,665.24 |
| Mauritius | 210.56 | 265.38 | 363.21 | 386.63 | 751.79 |
| Madagascar | 44.19 | 44.09 | 59.01 | 64.82 | 73.88 |
| Reunion (Fr) | 8.38 | 12.64 | 18.18 | 27.23 | 45.82 |
| Comoros | 2.43 | 2.59 | 8.98 | 22.46 | 11.80 |
around US$4.5 billion in 2007–08, about half of India’s entire trade with Australia.

The Indian Ocean remains important as a maritime through-route, hence the importance of keeping SLOC secure for India, and consequently its deployments of naval strength around the region. This lay behind government statements at the start of the decade that the Indian navy “undertakes frequent Presence-cum-Surveillance Missions . . . aimed at monitoring the IOR [Indian Ocean region] and safeguarding the interests of the country in its region.”46 With regard to maintaining security of SLOC it is significant that deployment of the Indian navy has been seen at all exit points from the Indian Ocean in recent years, off the Cape of Good Hope, the Strait of Bab el Mandab, the Strait of Hormuz and the Strait of Malacca. It is of significance that there is growing acceptance in Southeast Asia of India’s presence for arrangements concerning security and passage through the Strait of Malacca, initially seen in 2002 with Indian warships providing security cover for shipping coming along the Straits. This Indian role is related to common concerns in the region over piracy, but it also has implications for India’s wider role in Southeast Asia and for China. Malacca operations have been carried out from India’s Andaman islands, Indian territory seen by Prakash as “a bridgehead to South-East Asia and beyond.”47 India’s FENC (Far Eastern Naval Command), established there in 1999, has been further upgraded to a FEC (Far Eastern Command) of all three military services. It is to the east we can now turn.

**Implementation – Eastwards**

A different sort of extended neighborhood is encountered eastwards, where general trade is more evident alongside energy and military nuances, wrapped up evocation of historical and cultural links.48 India’s *Look East* policy was formally announced in the early 1990s.49 Initially this was economics driven, emphasizing Southeast Asia and its regional organization ASEAN. This is what Prime Minister Atal Bihari Vajpayee had in mind in 2004: “I also naturally look at India’s extended neighborhood in South-East Asia. This is a region where truly historic socio-economic transformations are taking place.”50 India became a Sectoral Dialogue Partner of ASEAN in 1992, a member of the ARF (ASEAN Regional Forum) in 1995, and a full Dialogue Partner of ASEAN in 1996. Annual summit meetings between India and ASEAN commenced in 2002.
India’s economic links with ASEAN and Southeast Asia have been quite successful. India’s total trade with ASEAN (Table 4) is much more significant than its trade within South Asia. India’s trade with SAARC countries, including Afghanistan, was valued at US$4.0 billion in 2003–04, representing some 3.52 percent of India’s overall trade; whereas ASEAN’s trade with India was valued at US$13.25 billion, representing some 9.62 percent of India’s overall trade, a share gap of 6.10 percent. This gap has widened still further, both in terms of quantity and relative share. In 2007–08, India’s trade with SAARC countries was valued at US$11.4 billion, representing a lower 2.83 percent of India’s trade; whereas ASEAN’s trade with India was valued at US$39.0 billion, representing some 9.55 percent of India’s overall trade, a share gap of 6.72 percent. Faced with the paralysis in the SAFTA (South Asia Free Trade Agreement) of 2004, a more lucrative FTA (Free Trade Agreement) was finalized between India and ASEAN in 2008. However, India is still trying to catch up with China, whose trade with ASEAN of US$105.9 billion in 2004, US$160.8 billion in 2006 and US$202.5 billion in 2007 is now over five times that of India.

Certain countries (Table 5) within ASEAN are more important trade partners for India, with such geo-economic trends overlapping with wider general diplomatic and security relationships. India’s trade with individual ASEAN countries has generally gone up in terms of quantity during the last decade. India’s trade with Malaysia, though still relatively large in quantity, has remained static as a proportion of India’s trade. India’s trade links with Indonesia and the Philippines, though also growing, have receded in relative importance. Myanmar’s trade, though rising in volume, now accounts for a smaller proportion of India’s overall trade, although the energy component has become more significant for India. The smaller states of East Timor, Laos and Cambodia remain fairly economically irrelevant for India. Brunei’s increases are a matter of increasing oil imports by India, and with it a

### Table 4
**India’s Trade with ASEAN Region (US$ Million)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports</td>
<td>$7,433.11</td>
<td>$9,114.66</td>
<td>$10,883.68</td>
<td>$18,069.64</td>
<td>$22,663.48</td>
</tr>
<tr>
<td>Exports</td>
<td>$5,821.71</td>
<td>$8,425.89</td>
<td>$10,411.30</td>
<td>$12,603.86</td>
<td>$16,376.24</td>
</tr>
<tr>
<td>Overall</td>
<td>$13,254.82</td>
<td>$17,540.55</td>
<td>$21,294.98</td>
<td>$30,673.50</td>
<td>$39,039.72</td>
</tr>
</tbody>
</table>
greater sense of the strategic importance of the Strait of Malacca. It is trade with Singapore and Vietnam which have been noticeably increasing as a share of India’s trade, with those two countries being particularly close to India in strategic-defense matters as well. During the period 2003–08, trade with Singapore trade went up from 2.97 to 3.74 percent of India’s overall trade, and trade with Vietnam almost tripled in quantity, up from 0.32 to 0.43 percent of India’s overall trade. Amidst this rising trade pattern, India’s imports from Southeast Asia have remained more than its exports there.

What of India’s eastern energy hopes? In Southeast Asia, some energy successes have been enjoyed in Myanmar. OVL has been part of the consortium developing the A-1 (20 percent participating interest share) and A-3 (20 percent participating interest share) shallow water blocks on the Rakhine coast. The total recoverable reserves of gas from the A-1 and A-3 blocks are estimated to be about 4 trillion cubic feet, with the first gas extractions anticipated in early 2011. That such deals have a state purpose can be seen by Shri Murli Deora, the Minister of Petroleum and Natural Gas, accompanying the OVL Chairman for the signing of the contracts for three more deep-water exploration blocks there; AD-2, AD-3 and AD-9. OVL has 100 percent participating interest for those three fields, and will carry out exploration over the next seven years, with subsequent production thereafter to be shared between OVL and MOGE (Myanmar Oil and Gas Enterprise). The Indian government explained that this particular deal was part of a process whereby “in order to enhance energy security of the country, India is pursuing the option of acquiring equity in

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>4,210.20</td>
<td>6,652.01</td>
<td>8,779.06</td>
<td>11,549.45</td>
<td>15,485.18</td>
<td>2.97–3.74</td>
</tr>
<tr>
<td>Malaysia</td>
<td>2,939.31</td>
<td>3,383.07</td>
<td>3,577.47</td>
<td>6,593.96</td>
<td>8,572.48</td>
<td>2.07–2.07</td>
</tr>
<tr>
<td>Thailand</td>
<td>1,440.73</td>
<td>1,767.27</td>
<td>2,286.89</td>
<td>3,187.47</td>
<td>4,108.91</td>
<td>1.30–1.11</td>
</tr>
<tr>
<td>Indonesia</td>
<td>3,249.26</td>
<td>3,950.34</td>
<td>4,388.31</td>
<td>6,192.31</td>
<td>6,982.82</td>
<td>2.29–1.69</td>
</tr>
<tr>
<td>Vietnam</td>
<td>448.65</td>
<td>642.46</td>
<td>822.06</td>
<td>1,149.36</td>
<td>1,775.76</td>
<td>0.32–0.43</td>
</tr>
<tr>
<td>Myanmar</td>
<td>498.65</td>
<td>519.11</td>
<td>636.66</td>
<td>921.87</td>
<td>994.88</td>
<td>0.35–0.24</td>
</tr>
<tr>
<td>Philippines</td>
<td>443.64</td>
<td>599.62</td>
<td>730.16</td>
<td>749.33</td>
<td>823.29</td>
<td>0.31–0.20</td>
</tr>
<tr>
<td>Brunei</td>
<td>4.93</td>
<td>5.60</td>
<td>43.82</td>
<td>293.32</td>
<td>236.15</td>
<td>0.00–0.06</td>
</tr>
<tr>
<td>Cambodia</td>
<td>18.88</td>
<td>18.38</td>
<td>24.97</td>
<td>53.70</td>
<td>56.30</td>
<td>0.01–0.01</td>
</tr>
<tr>
<td>Laos</td>
<td>0.56</td>
<td>2.70</td>
<td>5.58</td>
<td>2.74</td>
<td>3.94</td>
<td>0.00–0.00</td>
</tr>
<tr>
<td>E. Timor</td>
<td>1.36</td>
<td>1.58</td>
<td>0.44</td>
<td>1.13</td>
<td>0.45</td>
<td>0.00–0.00</td>
</tr>
</tbody>
</table>
The politics of these events is one reason why India has been reluctant to press the Myanmar military regime too strongly on human rights abuses. The politics can also be seen in the rivalry in Myanmar with China for general geo-strategic influence and for geo-economic deals, areas where China has had some advantages over India.

Vietnam became OVL’s first partner country when OVL signed a petroleum sharing contract in May 1998 with PetroVietnam for three blocks, 06, 12E and 19, in Nam Con Son basin, about 230 miles offshore Vietnam. OVL started seismic surveys in the same year. In 2005, OVL gained a 45 percent share in the Vietnamese Block 6.1, which produces 7.5 million standard cubic meters of gas per day. However, cooperation with Vietnam brings India up against China’s rival territorial claims in the South China Sea. Production-sharing contracts for offshore blocks 127 and 128 were signed by OVL and Vietnam in 2006, only to be denounced as illegal by China in 2007. This brought angry Indian comments that “this Chinese declaration has come as a frontal attack against India’s pursuit of energy security”; a threat in which “China is bullying countries like India . . . China is hitting India’s soft belly at will and India should do something serious about it . . . the time has come for India to assert itself.” This points to military-security issues in the region, which India is also becoming involved in.

The Look East policy has now gone beyond just increasing trade and institutional linkage with ASEAN and its members, with what has been called a Look East Phase Two policy. In Yashwant Sinha’s mind “the new phase . . . marks a shift from trade to wider . . . security issues” by a “resurgent India in Asia.” India’s navy has been a prominent feature of this new face of India’s Look East projection, with naval diplomacy yet again appearing as a highly visible and cost-effective arm of the Indian government. The presence of Southeast Asian navies in India’s Bay of Bengal MILAN exercises is being increasingly reciprocated by India’s naval deployments into Southeast Asian waters, where the distrust of India still lingering in the 1990s has largely dissipated. Typical of India’s emerging maritime power projection in these eastern reaches of the Indian Ocean was the dispatch of a powerful naval group, consisting of INS Viraat, accompanied by the guided missile destroyers INS Rajput and INS Ranjit, the indigenously built missile corvette INS Khukri and the replenishment tanker INS Shakti.
These were deployed to Singapore, Port Kelang in Malaysia and Jakarta in Indonesia during July and August 2005. India’s agreement, in October 2008, to start training East Timorese naval personnel is another sign of India’s growing maritime influence in the region.

In such a Southeast Asia context, India and Singapore have been conducting joint naval exercises since 1994; with a wider Defense Cooperation Treaty signed in 2003 and further strengthened in 2007. Most of these SIMBEX joint exercises have been held in the Bay of Bengal, but SIMBEX has also brought Indian deployment into the Strait of Malacca and further east into China’s backyard of the South China Sea in 2005 and 2009. Maritime relations with Indonesia have changed from naval rivalry to cooperation, in part because of shared concerns over China’s maritime claims in the South China Sea. Strategic defense agreements have also been signed with Vietnam in 2000, with ongoing naval cooperation. India’s dispatch, by sea, of naval supplies to Vietnam in 2005 brought the comment that “Indian Navy officials said Vietnam was an important part of India’s extended maritime neighborhood,” and thereby to be actively supported by India.56 Two visits by Indian navy units to Vietnam in May and September 2008 showed an increasing tempo in Indian deployment in eastern waters. China’s support of Pakistan in India’s backyard can indeed be counterbalanced by India’s support of Vietnam in China’s backyard, the “Vietnam Card.”57 It is not surprising that various Indian commentators like Anindya Batabyal see such Indian projection in Southeast Asia as attempts by India to balance China.58

One milestone of India’s presence in the region was reached in 2000, when a powerful naval flotilla of five capital ships (INS Delhi, INS Kora, INS Sindhuvir, INS Rajput, and INS Kuthar), one submarine and a tanker (INS Aditya) entered and operated in the South China Sea. Indian naval officers described it as part of a “detailed plan to expand the horizons of our maritime diplomacy.”59 This deployment lasted over one month, and was a show of strategic reach by the Indian navy. India’s presence in these Far Eastern waters has been maintained since then. Further naval deployments took place in 2003. Three separate appearances by Indian naval units in the South China Sea were seen in 2004. They were prefigured by government statements in 2004 about an “extended neighbourhood for India which stretches . . . to the South China Sea.”60 INS Rana, INS Khukri, INS Ranvir, INS Kora and INS Udaygiri were deployed in May 2004 for
presence-cum-surveillance missions through the Malacca and Sunda Straits into the South China Sea. Similar presence and surveillance operations were carried out by *INS Savitri* in the Strait of Malacca and the South China Sea during August 2004. October–November 2004 saw another substantial entry of India into the South China Sea. Again, this was not just one lone vessel. Instead the Indian navy deployed five of its frontline warships; two Kashin-class destroyers *INS Ranjit* and *INS Ranvijay*, the frigate *INS Godavari*, the missile corvette *INS Kirch*, and the offshore patrol vessel *INS Sukanya*, as well as the fleet tanker *INS Jyoti*. The fact that these Indian warships carried out joint exercises with Indonesia, Vietnam, the Philippines, South Korea and Japan, but not China, was significant, and attracted Chinese attention. More deployments by the Indian navy into the South China Sea took place in 2005, 2007, 2008 and 2009.

In turn, India’s *Look East* extended neighborhood policy has been expanded geographically, still further out beyond Southeast Asia and the South China Sea. Yashwant Sinha explained that the “new phase of this policy is characterised by an expanded definition of ‘East’,” whereby in “talk of the extended neighbourhood, it certainly is all the countries including Australia and New Zealand, all the countries of East Asia.” The Congress administration under Manmohan Singh has continued this eastern neighborhood creep. India’s participation in the East Asia Summit meetings of 2005 and 2007 were part of India’s claims to be an involved partner in East Asia.

In economic terms, how has India fared in these further easterly settings beyond ASEAN, in East Asia and Australasia (Table 6)? Trade has gone up in all sections, but with trade with China becoming much more noticeable, increasing from US$8,500.97 million (6.85 percent share)
in 2003–04 to US$40,630.33 million (11.22 percent share) in 2007–08; albeit alongside a rising trade deficit. Moreover, this is trade with China primarily funneled through China’s maritime provinces in the Far East, rather than through any overland routes from Tibet or Yunnan. India’s old linkages with Hong Kong, established from the days of the British Empire, are reducing in relative importance, following the reincorporation of Hong Kong back into the PRC in 1998. Despite India’s strategic partnership, trade with Japan is relatively less marked, increasing in quantity but not as a share, the same can be said of South Korea. To the southeast, India’s economic links with Australasia have increased in quantity but not in relative share.

Further energy success has been gained in the Far East. OVL has a 20 percent stake in the Sakhalin-1, India’s single largest investment abroad. Production started in October 2005 reaching full capacity in 2007, with OVL’s share being 50,000 barrels per day. Further stakes are being sought by India in the Sakhalin-3 field. These energy reserves give India a stake in keeping the SLOC open in East Asia. Arun Prakash’s naval sense was clear enough: “a new development is our acquisition of oil and gas fields stretching across the globe, from Sakhalin in the Russian Far East,” offshore energy fields which “will warrant some thought for their protection in the future. These invaluable maritime assets . . . must be safeguarded at all cost.”

India’s burgeoning security-cum-strategic partnership with Japan, “natural allies” with “common concerns,” is now bringing India into Japanese water, where passage exercises were conducted with the Japanese navy in October 2008 in the East China Sea. The Strategic Partnership agreement signed in November 2008 was widely seen as China-related. One clear sign of India’s extended strategic reach was the dispatch of a five-ship Indian flotilla to East Asian waters during April–May 2007. At various points these Indian warships carried out joint naval maneuvers with American forces off Okinawa as part of the MALABAR 2007 exercises, rendezvoused off Vladivostok with the Russian fleet as part of the INDRA 2007 exercises, and carried out further trilateral exercises with Japanese and American units off the Japanese coast. This was indeed long-distance marine diplomacy, a trilateral format repeated in April 2009 in the MALABAR exercises off Okinawa, which also reflected India’s “rising ambitions with an eye on China” in the Asia-Pacific. Such trends have meant that India is becoming a “Pacific player,” at least in the western Pacific reaches.
The WPNS (Western Pacific Naval Symposium) set up in 1988 has had India as an observer from 1998 onwards. *INS Kanwar* gave an evident Indian naval presence in the WPNS for 2004, *INS Mysore* and *INS Tarasa* for 2005, and so forth down to two more warships for 2008, at Pusan in South Korea. With China outside the WPNS, it is not surprising that some Indian commentators see India’s attempts to gain full membership, likely to succeed, as “being a move that is aimed at countering China.”

In such a Pacific frame of mind, India’s Ministry for External Affairs highlighted wider South Pacific arenas in its 2003–04 *Annual Report*, noting that “India continued to pursue closer relations with South East Asia in keeping with its Look East Policy,” but going on to flag that “India also articulated the expansion of its Look East Policy to Phase II, beyond South East Asia to the Pacific region”; India’s 2003 Dialogue meeting with the PIF (Pacific Island Forum) being treated alongside India’s ASEAN summit. The logic of reaching out to the PIF was clear enough for Indian analysts, that “greater involvement with the Pacific Islands Forum would also increase India’s influence and leverage in the region,” a region now envisaged as part of India’s extended neighborhood. The dispatch of the Indian navy to these further waters has started to be seen; *INS Tabar* carrying out cooperative naval exercises in Australia, New Zealand, Tonga, Fiji (with a 40 percent Indian population) and Papua New Guinea during August 2006.

**Implementation – Northwards**

India’s presence is starting to be seen in Central Asia, as a “small but not insignificant player in the ‘New Great Game’ in Central Asia.” In pre-Islamic and Islamic times, links between India and Central Asia were frequent and recurring. However, the arrival of Russian and then Soviet control in Central Asia had curtailed such northerly links. It was in this setting that Atal Vajpayee drew a clear enough distinction between such older, vaguer, soft power cultural links between India and Central Asia and emerging hard power opportunities. As he noted in his 2002 trip to Central Asia, “historically, this extended neighbourhood of ours has been very close to our hearts. It is linked to India through ties of history, culture and spirituality” from olden days. In addition, “with the countries of Central Asia becoming independent, a new geopolitical reality, of great significance to us, has come into being in this part of the world after the end of the Cold War,” in which “India wishes to strengthen her ties with all the countries of the region.”
Certainly the collapse of the Soviet Union enabled India to reconsider its previous neglect of the region, and instead start to assemble a geopolitical and geo-economic presence. History continues to be invoked by India, but underpinned by modern needs. Indian diplomats argue that “both bonds of history and geo-strategic location of the Central Asian States (CAS) in an extended neighbourhood make India’s relations with them a matter of priority. The region has profound strategic and economic importance for us,” so that “since independence of these countries seven years ago, conscious efforts have been made to strengthen and diversify relations and to bring a contemporary focus to our age-old ties.”

India gained observer status with Central Asia’s regional organization, the SCO (Shanghai Cooperation Organization), in 2005.

In general economic terms, there have been some Indian advances into Central Asia during the past decade, as Table 7 shows. One feature of this is that India has enjoyed a general trade surplus with the Central Asian region as a whole during the past decade, the reverse of situations in Southeast/East Asia where India faces trade deficits. However, in quantity terms, Central Asia has not become a big trade arena for India, particularly when energy is taken out of the picture. In 2003–04 the entire region recorded US$201.62 million trade with India, which by 2007–08 had risen to US$344.42 million, a modest quantitative increase which actually reflected a decline in India’s overall trade from an already low 0.15 percent share to a still lower 0.09 percent share, with fluctuations seen in various countries within the region (Table 8).

As India has moved into the region it frequently denied any competitive undertones. Yashwant Sinha, during his visit to Central Asian states in 2003, stated that “we are not in Central Asia to replace any one. We see Central Asia as part of India’s extended neighbourhood and our presence there is to promote a mutually inclusive relationship.” Nevertheless rivalries can be discerned, with Pakistan and China.

TABLE 7
INDIA’S TRADE WITH CAS CENTRAL ASIAN STATES REGION ($US MILLION)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports</td>
<td>50.79</td>
<td>62.43</td>
<td>72.15</td>
<td>142.85</td>
<td>112.03</td>
</tr>
<tr>
<td>Exports</td>
<td>151.83</td>
<td>168.47</td>
<td>174.18</td>
<td>191.41</td>
<td>232.19</td>
</tr>
<tr>
<td>Total</td>
<td>201.62</td>
<td>230.90</td>
<td>246.33</td>
<td>334.26</td>
<td>344.42</td>
</tr>
</tbody>
</table>
Competition with India’s traditional rival from its immediate neighborhood, Pakistan, is clear enough in India’s extended neighborhood in Central Asia. India’s own push into Central Asia has been likened to Kautilya’s *mandala* (circles) logic that immediate neighbors were likely to be enemies, but states on the other side of a neighboring enemy state were likely to be allies. Whilst Pakistan has sought to project into Central Asia in order to achieve “strategic hinterland,” Indian moves to establish closer links with Central Asian states were explained by Ministry of Defence officials as “building strategic space for India in the region and to encircle Pakistan.” India’s military links with Tajikistan cast a northern shadow on Pakistan. India’s presence in Central Asia also brings it up against China. The PRC is well aware of India’s arrival in Central Asia, the *People’s Daily* judging in 2003 that “after successful diplomacy in Southeast Asia, India is now primed to replay its historical role in Central Asia.” India’s presence is admitted by itself in IR *realism* terms as one appropriate for “the neighbours of the Central Asian area, perhaps as a balancing measure [against China?]. As far as we are concerned, as I mentioned, it is our extended neighbourhood. It is of geo-strategic importance to us.” Indian commentators are more direct than the government, “India and China are two geopolitical rivals and their interests clash both in the political and economic arena. Both are vying for the same markets” in which “India calls the Central Asian region its ‘extended neighborhood’ while to China it is the ‘strategic backyard’.”

Sino-Indian competition has been most clear in Kazakhstan, exemplified when India lost out in 2005 to the PRC over negotiations to buy PetroKazakhstan. Chinese sources were clear enough, “it marks a victory for China in its rivalry with India.” It is no coincidence that it is China that has achieved much greater trade with Kazakhstan; over US$6 billion in 2006 and over US$14 billion in 2008 compared to

### Table 8

India’s Trade with Central Asian Countries ($US Million)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Kazakhstan</td>
<td>84.07</td>
<td>96.81</td>
<td>117.16</td>
<td>171.41</td>
<td>188.64</td>
<td>0.06–0.05</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>42.84</td>
<td>52.81</td>
<td>50.57</td>
<td>63.51</td>
<td>56.37</td>
<td>0.03–0.01</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>28.55</td>
<td>26.12</td>
<td>31.18</td>
<td>45.86</td>
<td>44.64</td>
<td>0.02–0.01</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>8.42</td>
<td>10.68</td>
<td>12.13</td>
<td>15.50</td>
<td>22.10</td>
<td>0.01–0.01</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>38.74</td>
<td>50.19</td>
<td>29.57</td>
<td>37.98</td>
<td>32.47</td>
<td>0.03–0.01</td>
</tr>
</tbody>
</table>
India’s “Extended Neighborhood” Concept

India’s US$188.64 million for 2007–08. Moreover, India’s trade surplus with Kazakhstan was reversed in 2006–07. Some modest energy success in Kazakhstan has nevertheless been gained by India. In the wake of the failed Kurmangazy oil field deal, OVL was offered medium-sized exploration blocks at Satbayev and Mukhanbet in the Caspian region in 2005. Nevertheless, China’s success has been the more evident. Consequently, oil flows are settling down into easterly dispensation through the overland pipeline built between Kazakhstan and China, which started operations in July 2006. Some indication of this continuing China–India rivalry was seen in 2008 when OVL outbid Sinopec to take over Imperial Energy and its operations in oil-producing bloc in the Tomsk region of Western Siberia in Russia and Kastanai in Kazakhstan. Indian commentators saw this as “a major ‘strategic victory’ for OVL that has been at the receiving end of Sinopec of China during the last few years” in Central Asia. Geographical distance is involved here, Kazakhstan being China’s immediate neighbor whilst furthest away from India amongst these Central Asian states.

Conversely, it is with Tajikistan, the nearest of the Central Asian states, that India has the strongest political-security links, even though the level of trade is accurately enough described by India as “meagre.” Common concerns over Taliban Afghanistan, and then wider Islamist fundamentalism, drew India and Tajikistan together in the late 1990s. Such a Tajik–India convergence was quickly noticed in China. Tajik–Indian security cooperation was initially with regard to using the Farkhor airbase to funnel supplies to the anti-Taliban Northern Alliance resistance forces. Joint exercises between Indian and Tajik special forces were held in February 2003, and a defense-security agreement signed later that year. Biannual trips between Heads of State have operated since 2000, in 2001 (Rakhmonov to India), 2003 (Vajpayee to Tajikistan), and 2006 (Rahmon to India). Subsequently, Indian engineers reopened Ayni airbase in 2007, to be shared between the air forces of Tajikistan, Russia and India.

Similar imperatives have operated between India and Uzbekistan, where common unease over the Taliban regime in Afghanistan and Islamist radicalism has brought subsequent wider security cooperation, entwined with economic openings sought by India. Manmohan Singh’s trip to Uzbekistan in April 2006 also saw the extended neighborhood theme deployed, “both countries share longstanding ties and deep rooted cultural and civilizationall links. Uzbekistan is an important country in the Central Asian region which we consider part of our
extended neighbourhood,” in which “we hope to build on our traditional ties in providing them with new meaning and substance including in the political, economic, defence, energy, science and technology and cultural fields.” On the economic front, an ongoing trade deficit was suddenly reversed in 2007–08, a 35.86 percent growth in exports overtaking a 21.37 percent increase in imports to give India a trade surplus of US$24.23 million. The dispatch of army training teams to Uzbekistan in 2007 was quite rightly seen by Nitin Gokhale as showing how “the army is shedding its traditional reluctance to get involved in India’s extended neighbourhood,” all “in consonance with India’s recent forays into Central Asian republics.”

Along this southern tier of Central Asian states, India has also cultivated Turkmenistan, where greater energy links are being sought by India, amidst rivalry with China; particularly in participation in prospecting and eventual exploration and production in the offshore Caspian blocks of Turkmenistan. Here, the OVL–Mittal joint venture acquired a 30 percent share in the exploratory Block 11-12, offshore Turkmenistan in the Caspian Sea in October 2007. The Memorandum of Understanding signed between India and Turkmenistan in April 2008 brought the comments from India’s Vice President Mohammad Hamid Ansari, visiting Turkmenistan, that “India, with its vast requirement of energy and dependence on imports to meet it, is Turkmenistan’s natural partner.” Here, it is no coincidence that the India’s former Petroleum and Natural Gas Minister, Mani Shankar Aiyar stressed “the interface between foreign policy and quest of energy security,” in which “we are fortunate to be placed at the vortex of an extended neighbourhood which has some of the largest gas resources in the world.” Consequently, Aiyar went on to note, “to our north lies Turkmenistan, which has projected ample gas resources . . . consideration could be given to augmenting available supplies there from Uzbekistan, Kazakhstan, Azerbaijan and the Astrakhan littoral on the Russian shore off the Caspian”; and judged that “the proposed North–South energy corridor which would run from the Kazakhstan port of Akhtau to the Iranian port of Chah Bahar on the Arabian Sea is another exciting prospect” for India. This leads us, as it does India, to Iran, and India’s extended neighborhood to the west.

Implementation – Westwards
With regard to Iran, Indo-Iranian links have caused concern in Washington, and some pressure to be applied by the US (and also
India’s links with Iran emerged in the 1990s and are officially enshrined in their joint 2003 *New Delhi Declaration* and *Road Map to Strategic Cooperation*. Three purposes are served for India through such strategic cooperation. Firstly, it helps India to geopolitically jump over and thereby constrain Pakistan, with military cooperation between Iran and India being a feature of recent years. India’s presence at Chahbahar is a counterpoint to Pakistan’s recent opening up, with Chinese help, of Gwadar.

Secondly, Iran enables Indian access to important energy resources. In January 2004, OVL negotiated a deal in Iran, whereby it gained a 10 percent stake in the Yadavaran field, with India agreeing to buy 7.5 million metric tons of liquefied natural gas from Iran per annum for 25 years. This was though overshadowed later on in the year in October, when Iran negotiated a $70 billion deal with Sinopec, giving the Chinese company a 51 percent stake in the field’s development. Some compensation was gained by India as OVL gained a 100 percent stake in the Jeyfr oil field, with its estimated capacity of 30,000 barrels per day; only for this stake to be transferred in 2006 to Belorusneft, the national oil company of Belarus, with OVL seeking a doubling of its Yadavaran holding in compensation. The OVL–Hinduja consortium is also keen to develop the Azadegan oil field in Iran, which is projected to hold over 40 billion barrels of oil. Further success was gained in an exploration service contract for the offshore Farsi Block gas fields which was won by an OVL-led consortium, consisting of OVL (40 percent share, and the operator), IOC (Indian Oil Corporation, 40 percent share) and OIL (Oil India Ltd, 20 percent share). By 2007, these explorations had revealed large reserves, estimated at over 12.8 trillion cubic feet. A combined OVL–Hinduja combine, set up in 2006, is eyeing the large South Pars field in Iran, with gas from the South Pars field due to feed the proposed IPI (Iran–Pakistan–India) pipeline.

Thirdly, Iran serves as an important link for India with Central Asia and with the Middle East/West Asia. Until recently, the Middle East/West Asia has been a relatively neglected part of India’s strategic constellation, despite earlier geopolitical linkages with British India. In a diplomatic sense India has been marginalized and rendered rather irrelevant to the political debates and dispositions of the Middle East, for example those surrounding Iraq, or the Palestine–Israel quagmire.
As late as 2004, C. Raja Mohan was still wondering “can the Manmohan Singh Government complement India’s eastern initiative by launching a badly needed ‘look west’ policy?” The rhetoric has picked up though. A few months after his lament, the new Congress government was announcing “West Asia constitutes an integral part of India’s extended neighbourhood,” in which “links between the two regions can be traced back to antiquity, just as developments in West Asia today have a direct impact on the economy and society of India.” A formal Look West policy was announced in August 2005, a policy immediately noticed by China. Comparisons were also made with the established Look East policy, by the Prime Minister Manmohan Singh and by the Minister of State for External Affairs E. Ahamed.

Initially India has focused most on the Gulf. Pranab Mukherjee encapsulated India’s economic and political concerns in the Gulf, that “beyond the immediate region, India has vital interests in the Gulf . . . the Gulf forms parts of our strategic [extended] neighbourhood” as an “important source of energy, home to over 3.5 million Indians, and a major trading partner. Parts of it are also a source of ideology, funding and recruits to the cause of Islamic radicalism and terrorism. Economics, and energy access, remain a central feature of India’s interest in the Gulf, Manmohan Singh considering that “the Gulf region . . . is part of our natural economic hinterland.”

A framework agreement for economic cooperation was signed between India and the GCC (Gulf Cooperation Council) in August 2004. March 2006 saw the first joint ministerial meeting of the six-state GCC and India. Final negotiations for a Free Trade Agreement were started in January 2006, and set for signature in 2009. The Gulf region has increased in relative economic importance for India. In 2003–04 it accounted for 9.69 percent of India’s trade, almost triple that with South Asia of 3.52 percent. By 2007–08 the Gulf had more than doubled its share to 20.97 percent. A closer look at individual countries within the Gulf shown common and divergent patterns (Table 9). Saudi Arabia, Iran and the UAE have maintained the biggest shares, reflecting their bigger sizes in the case of Iran and Saudi Arabia. One striking feature is the way India’s trade balances have shifted in the Gulf region. India enjoyed trade surpluses across the Gulf in the earlier parts of the decade, but then faced growing trade deficits after 2006 with Iran, Iraq, Kuwait, Bahrain, and Saudi Arabia. The simple reason for such deficits were rising imports from the Gulf, especially
India’s “Extended Neighborhood” Concept

In this energy setting, OVL has a 100 percent exploration share of Qatar’s Najwat Najem field, and a 100 percent share of Iraqi Block 8.

Admittedly, India’s economic presence in the Gulf still remains overshadowed by America’s far more overt, and paramount, military deployment. Nevertheless, India is becoming a military factor in local calculations. The visit of India’s aircraft carrier INS Viraat and two other ships to the UAE in March 1999 set the scene. A substantial three-week deployment by the Indian navy took place in September–October 2004, involving two destroyers INS Mumbai and INS Delhi, the advanced missile frigate INS Talwar; as well as INS Kulish, INS Pralaya, INS Sindhuraj and the support tanker INS Aditya. Their visit to Oman, Bahrain, Iran and the UAE was interpreted by Chinese sources as Indian “efforts to use its navy to project power” outside its own immediate coastal waters. Altogether around 40 Indian naval vessels were dispatched to Oman and the Gulf during 2005–07. August 2007 saw another powerful five-ship Indian flotilla deployed into the Gulf; with port calls at Muscat, Qatar, Abu Dhabi, Manama, Al Jubail, before going across to Djibouti. December 2007 saw further dispatches of Indian warships to the UAE.

As elsewhere, naval diplomacy forms a prominent part of India’s wider diplomatic projection, Pranab Mukherjee explaining to an audience in the UAE in May 2008 that “the steady expansion of our political and economic ties, the interactions between our security and defence...
personnel and the visits of our naval ships have added a new dimension to our relationship.” The India-Oman Thammar Al Tayyib joint exercise has been a regular naval feature since 2003. It was in this vein that when Sureesh Mehta took over as India’s Chief of Naval Staff, his first trip overseas was to Abu Dhabi in the UAE in February 2007, and with it talk of further Indian naval projection into the region. During Manmohan Singh’s trip to the Gulf in November 2008, his visit to Oman saw agreement on strengthening maritime exercises, whilst his visit to Qatar saw a defense maritime cooperation pact signed alongside discussing increased liquid gas supplies.

Neighborhood creep has been seen further westwards, to the Strait of Bab el Mandab, the waters off Djibouti which link the Indian Ocean and Red Sea via the Gulf of Aden. India keeps a vigilant eye on this strategic choke point. Typical of India’s long-range reconnaissance prowess was the way in February 2006 that a new Chinese destroyer and accompanying oil tanker were detected, tracked and photographed by a Tupolev-142M maritime patrol aircraft, flying from the Goa naval airbase, almost as soon as the Chinese vessels had emerged from the Red Sea via the Bab Al-Mandab Strait, a sighting over 1,400 miles away from the Indian mainland. Visits to Djibouti have been maintained through the years by Indian naval vessels: INS Sindhuraj in January 2002, INS Sindhuratna in November 2002, INS Talwar in August 2003, INS Dunagiri in May 2004 and INS Rajput in September 2007. In the face of piracy attacks off the Somali coast, the Indian navy was eventually, after some hesitation, deployed into the Gulf of Aden in October 2008, with successful interceptions carried out there by INS Tabar in November, with subsequent heavier firepower provided by INS Mysore. Interestingly, this deployment was explained in wider geo-economic terms by the Indian Ministry of Defence: “the Gulf of Aden provides access to the Suez Canal through which sizable portion of India’s trade flows. Indian Navy’s presence in the area will help to protect our sea-borne trade.”

The Gulf of Aden and the waters around Socotra were also the setting for India’s naval exercises with Russia, INDRA-2003 and INDRA-2009. This setting was also seen with the VARUNA 05 India–France exercises of November 2005, which also took place in the Gulf of Aden; and which included deployment of India’s aircraft carrier INS Viraat, the guided missile destroyer INS Mysore, the guided missile frigates INS Talwar and INS Godavari and the tanker INS Aditya.
Indian naval units from the exercise also visited Djibouti then. Similar Indian deployment into the Gulf of Aden was carried out by *INS Rajput*, *INS Beas* and *INS Jyoti* in September 2007 for joint exercises with French maritime forces in VARUNA 07.

Such neighborhood creep is bringing India up from the Gulf of Aden into the Red Sea and gates of the Mediterranean. In part this is because of securing energy supplies from Sudan. OVL has a 25 percent share of the Greater Nile Oil Project in the Sudan, albeit behind the 40 percent stake held by the China National Petroleum Corporation. In the Sudan, OVL has a 25 percent share in the 5A oil field, and has completed a pipeline linking Khartoum to Port Sudan. This economic presence along the Nile has been matched by the waving of India’s naval flag. *INS Delhi* and *INS Talwar* paid a call to the Egyptian port of Safaga on the Red Sea during August 2008. Further up the Nile valley, OVL has a 70 percent share Egypt’s North Ramadan field in the Gulf of Suez. At the top end of the Red Sea, the Suez Canal was specifically included in government definitions of India’s extended neighborhood. Indian naval units are now using the Suez Canal to transit into the Eastern Mediterranean; with India–Israeli strategic links spanning the whole waterway back out into the Gulf of Aden. These Mediterranean waters have become familiar to the Indian navy in the past few years. In 2004, *INS Mysore*, *INS Godavari*, *INS Ganga* and *INS Shakti*, having been deployed to the Gulf of Aden, were then sent up the Red Sea and into the Eastern Mediterranean, visiting ports in Egypt, Israel, Cyprus, and Turkey. *INS Godavari* and *INS Aditya* visited the Syrian port of Refaet-al-Assad in August 2008.

India’s readiness to apply its extended neighborhood concept deep into the Middle East was evident in July 2006, when India’s response to conflict in the Lebanon was the dispatch of three powerful warships, *INS Mumbai*, *INS Brahmaputra* and *INS Betwa*, and the tanker *INS Shakti*. Their successful evacuation of South Asian nationals was a sign of India’s long-range ability to project naval power, the ships already returning from their regular preceding deployment in the Eastern Mediterranean. In retrospect, India’s then Chief of Naval Staff, Arun Prakash, reckoned that “the world noticed it. The Indians we rescued were proud of their Navy, and its power and reach.” Manmohan Singh explained to the Indian Parliament that in rescuing Indian nationals, it had been shown that “West Asia is our extended neighbourhood and tensions in that region affect our security and our vital
interests.” Bertram Weale’s comments from 1910 were “would not the flying of an Indian naval flag in the Persian Gulf, in the Arabian Sea, in the Red Sea, and even in the Mediterranean . . . convince all Europe and Asia that a new giant was growing up.” He was right!

Conclusions

India’s extended neighborhood concept has become part of a new national consensus in foreign policy, shared between the BJP and Congress parties/governments. The language and concept remains loaded on this; for K. R. Singh it has been a question of replacing “a subcontinental mindset that had virtually confined it to a small portion of the Afro-Asian region, so-called South Asia” a mindset that had “denied India its rightful place in the extended neighbourhood” beyond South Asia.

This begs the question of what exactly is India’s self-envisaged “rightful place” for itself in its self-perceived extended neighborhood. Already within its immediate neighborhood of South Asia, there has been a “hiatus between India’s self-perception as a status quo power and its perceptions by the neighbouring states as a regional bully.” Similar ambiguities and divergences between India’s perception of itself and others’ perception of India could arise in India’s extended neighborhood as New Delhi projects a greater presence there. For some Indian commentators, India’s talk of a growing extended neighborhood presence can seem like delusions of grandeur; “talk about an extended neighbourhood . . . in terms of an emerging imperial power . . . are quite quixotic.”

Nevertheless, hegemony whispers for the ocean waves at least, Pardesi arguing that “a rising India will aspire to become the regional hegemon of South Asia and the Indian Ocean, and an extra-regional power in the Middle East, Central Asia and Southeast Asia.” What India can see as its rightful place, particularly in the Indian Ocean, others can see as a hegemonistic threat. Indonesia, Australia and Pakistan have all expressed concerns in the past over India’s power projection there – although the first two have now moved closer to India in security terms over the past decade, in part because of concerns about China. Of course there remains a practical constraint against the Indian Ocean becoming India’s Ocean – namely the significant military presence of the United States at Diego Garcia. However, there may be some division of labor emerging between these two strategic partners,
as America shifts towards the Pacific and in effect moves aside to let India shoulder more of the Indian Ocean. Meanwhile, China’s blue-water drive is bringing the PRC further into the Indian Ocean and western Pacific, into India’s own extended neighborhood, and with it rising Indian maritime concerns about China. Whilst India is starting to play a balancing role in the South China Sea, it is increasing its maritime strength in the wider Indian Ocean region relative to China, although China’s links with Pakistan, Bangladesh and to some extent Sri Lanka are conversely impacting within India’s immediate maritime neighborhood.

India’s soft power projection is something that may increase in the future. Certainly, India has talked about old cultural links from the past, and to some extent is trying to use them. Buddhism for one may prove of some wider use within an easterly setting, for Ramachandran, “as the Sino-Indian battle for influence in East and Southeast Asia intensifies, India is backing its political and economic diplomacy with soft-power diplomacy. To counter China’s efforts to keep India out of the region on the grounds that it is an ‘outsider’, India is drawing attention to its solid Buddhist credentials.” This is somewhat ironical, given Buddhism’s virtual disappearance in earlier centuries from the land of its birth, India; although India’s sheltering of the Dalai Lama, and China’s crackdown on Tibetan Buddhist dissent in 2008 probably does give India some extra credit in Buddhist circles in East and Southeast Asia. However, any such Buddhist soft power linkages are of little use within the westerly and northern extended neighborhood settings of the Islamic world. India’s growing economic profile is likely to give it more general soft power credibility as a modernizing credible power on the rise. Its multi-cultural and multi-faith background may give it a particular role to play in a world faced with potential clashes of civilization, though India could itself face internal fracture lines of conflict.

Finally, there is India’s often talked about position as the world’s largest democracy and questions over how far this affects its foreign policy operations, and the extent to which this serves as a normative model for other states in India’s extended neighborhood. On paper the Indian government has a pro-democracy bent in its external leanings. In its own words, “as the world’s largest democracy and a country with well-established democratic institutions and practices, it is natural for India to support forums that recognize and seek to promote
democratic governance.”\textsuperscript{118} Whereas China does not link the question of development with question of democratization, India does, asserting that “the Indian experience corroborates the inter-linkages and shows that implementation of proactive development policies and economic reforms, when coupled with a liberal democratic polity, leads to overall stability and growth.”\textsuperscript{119} However, India has been hesitant in any overt “democracy promotion” in its relations with surrounding regions.\textsuperscript{120} Any such normative agenda of promoting democracy values has, so far, been rather pushed aside by other considerations, pulled as India is by other energy and China-balancing considerations in regions like Central Asia.\textsuperscript{121}

How activist is India going to be then in its extended neighborhood, and what sort of hard/soft power might it choose and be able to operate? How far will India intervene militarily outside South Asia? How far will India push economic development or democratic institutions in its extended neighborhood? There are some signs of India’s greater willingness to intervene militarily, in a constabulary role, as witness in deployments and arrangements emerging in the Indian Ocean, Strait of Malacca, Qatar and Gulf of Aden. India may hope for democratization in its extended neighborhood, in part to reduce religious extremism, but seems unwilling to push this too strongly. Economic development is the most noticeable arena for India in its extended neighborhood, in part because economic development gives greater political stability and bigger markets.

Within that hard power economic thrust, rising energy needs (to fuel India’s burgeoning economic rise) is a factor that will in all likelihood increase in importance for India, and which will pull India still deeper into involvement with its extended neighborhood, especially north, west and east. Other factors magnify India’s concerns with its extended neighborhood. Islamist \textit{jihadi} groups operate in all four quadrants of India’s extended neighborhood, and as such increase India’s preventative concerns. Last, but by no means least, India’s encounters with China are taking place around much of India’s extended neighborhood. There is something of a Great Game between these two giants and India’s extended neighborhood is a scene for much of it.\textsuperscript{122}

Structurally, then, the concept of extended neighborhood serves to bridge the gap between India’s established role as a local power in its immediate neighborhood region of South Asia, and its hoped for role as a global power.\textsuperscript{123} There is the possibility that India may be over-extending
itself with regard to its extended neighborhood concept. It would be overdoing it to say that India sees itself as a Great Power that should have Great Power sphere-of-influence paramountcy in its extended neighborhood. The presence of other strong states in those extended areas makes that an unrealistic scenario. Instead, whilst India perhaps seeks some preeminence – or perhaps even a degree of unipolar hegemony – in its immediate neighborhood, India seeks to deny such a situation to other powers in its extended neighborhood, especially to China. Within this strategic denial setting, India’s easterly and southerly projections into the extended neighborhood of Southeast Asia and the Indian Ocean have been most substantive, with a degree of preeminence being sought in the Indian Ocean for India, as India continues its economics-driven rise.

NOTES

My thanks to the anonymous reviewers for their helpful comments on earlier drafts.

9. Sinha, “12th SAARC Summit and Beyond.”
11. All trade statistics for India taken from India’s Ministry of Commerce website at http://commerce.nic.in.


34. A. Venugopal, Surendra Ahuja and Surendra Singh, India’s Navy’s Role as an Instrument of India’s Foreign Policy, 2001, p. 2. Accessible via http://indiannavy.nic.in.


36. “Indian Ocean naval symposium to be held in India,” Xinhua, February 12, 2008.


42. Mukherjee, “International Relations and Maritime Affairs – Strategic Imperatives.”
60. Sinha, “12th SAARC Summit and Beyond.”
62. Sinha, “Resurgent India in Asia.”
68. “With China opposing, India keen to stay on board,” *Tribune* (Chandigarh), August 22, 2008.
142  India Review


88. Manmohan Singh, ‘Statement by Prime Minister Dr. Manmohan Singh on his Departure for his Visit to Germany and Uzbekistan,” April 22, 2006. Accessible via http://meaindia.nic.in/speech.


100. Pranab Mukherjee, “Defense Minister Pranab Mukherjee on India’s Strategic Perspectives,” June 27, 2005. Accessible via www.usindiafriendship.net.
101. Prime Minister’s Office, “PM Launches ‘Look West’ Policy to Boost Cooperation with Gulf.”
108. Yashwant Sinha, “12th SAARC Summit and Beyond.”
119. Ahamed, “Statement by Minister of State for External Affairs Mr. E. Ahamed.”
Delinking Destiny from Geography: The Changing Balance of India–Pakistan Relations

Ramesh Thakur

Ramesh Thakur is Professor of International Relations at the Australian National University. He was previously Senior Vice Rector of the UN University and a UN Assistant Secretary-General. Among other works, he is the author of *The United Nations, Peace and Security: From Collective Security to the Responsibility to Protect* (Cambridge University Press, 2006), *Global Governance and the UN: An Unfinished Journey* (with Thomas G. Weiss) (Indiana University Press, 2010), and *The Responsibility to Protect: Norms, Laws and the Use of Force in International Politics* (Routledge, 2011).

Abstract. The November 2008 terrorist attacks in Mumbai are analysed through six changing equations in India–Pakistan relations. The balance between military response and inaction is shifting towards the former. India has a vested but no longer critical interest in a strong and stable Pakistan. Pakistan’s deniability has been based on separation between the government, army, ISI, and terrorists whose plausibility is fading. To reverse the worsening security situation, Pakistan’s military must be brought under full civilian control. Failing that, India will have to acquire the military capacity and political will to destroy the human and material infrastructure of terrorism in Pakistan. Finally, the rewards for Pakistan’s contributions to the war on terror in Afghanistan exceed penalties for its fuelling of terror in India. The structure of incentives and penalties must be reversed.

Keywords: India, Pakistan, ISI, terrorist attacks, nuclear stalemate, incentive structure, escalation dominance
Great power status is not for the faint of heart. The difference between India aspiring or merely pretending to be a global power will depend in part on its capacity and willingness to use military force. Historically, great powers use force in distant geographical theatres far from home. That is no longer necessary or desirable. But no country that lacks the will and ability to use force when challenged and provoked in its immediate neighbourhood can claim to be a major power or will be respected as one. This is especially relevant for India because, of all the present and emerging great powers, it is situated in the most fraught geopolitical environment and at the centre of a constellation of fragile states at grave risk of becoming failed states. In *Foreign Policy*’s (2010) current failed states index, Afghanistan, Pakistan, Burma, Bangladesh, Sri Lanka (in order) rank in the top thirty risk group.

On this criterion, successive Indian governments have flattered to deceive. If each US president makes his predecessor looks good, each Indian prime minister makes his predecessor look decisive. India has worked hard to earn the sobriquet of a soft state (Myrdal 1969). Nowhere is this more apparent than in the failure to deal with the cross-border terrorism. Former Foreign Secretary Shyam Saran (2011) has noted that India’s restraint wins it rhetorical plaudits from the international community but convinces Pakistan that the nuclear equation has stymied India from effective military retaliation (see Khan 2009).

India suffered seven terrorist attacks from November 2007 to November 2008. Of these, six were planned and executed by Indian terrorists operating in India, acting either alone or with the help of the Lashkar-e-Taiba (LeT) in Pakistan or the Harkat-ul-Jihad-al-Islami in Bangladesh. The seventh attack was planned in and directed from Pakistan and carried out by Pakistani militants. An initial cadre of 32 suicide terrorist recruits was trained in Pakistan in how to make bombs, survive interrogation and fight to the death (Sengupta 2009). After training, the group was pruned to 10 and set sail from Karachi on November 22 using GPS coordinates. On November 23, it took over an Indian fishing trawler, all of whose crew were eventually killed, and sailed across to Mumbai, arriving on its outskirts at about 4 pm on November 26. Taking instructions from handlers in Pakistan, the ten terrorists came ashore in a motorised dinghy at about 8:30 pm and attacked five targets in two-man teams: Chhatrapati Shivaji Terminus railway station, Leopold Cafe, Chabad House Jewish centre, and the Taj and Trident-Oberoi luxury hotels. Over the next 60 hours, one terrorist was captured and nine killed, but only after their killing spree had left more than 160 dead, including several foreigners and many Muslims.

The organisation in charge of training the ten terrorists for the Mumbai operations was the banned LeT. Pakistan’s Directorate of Inter-Services Intelligence (ISI) had shared intelligence with and provided protection to the LeT (Schmitt, Mazzetti and Perlez 2008; Burke 2009). Based in Pakistan, the LeT has evolved from a Kashmir-focused to a globally oriented terrorist organisation. The radical Sunni-Deobandi groups are ‘simultaneously fighting internal sectarian jihads’ that pose a threat ‘to the Pakistani citizen and state’, and ‘regional jihads in Afghanistan and India and a global jihad against the West’ (ICG 2009, i). The saturation coverage by the world’s leading media for the first time brought home to a global audience that India is a frontline state against...
international terrorism. The impact of the real-time saturation coverage on public and political opinion was such that ‘26/11’ marks a watershed as India’s own ‘9/11’.\(^1\)

The United States and its allies were relieved that the attacks did not precipitate a war between India and Pakistan and praised New Delhi for its restrained response. According to the most comprehensive public report on 26/11, ‘the Mumbai attack remains a pivotal and delicate issue in relations among the United States, India and Pakistan, despite the diplomatic sensitivities’ (Rotella 2010). I argue that war clouds will not dissipate, for three key equations are changing: the balance between no action and some military response by India; India’s waning interest in a stable Pakistan; and the putative rogue tendencies of Pakistan’s notorious ISI. Second, while India’s preference is to help in the establishment of civilian supremacy over the army and the intelligence in Pakistan and consolidate the institutions of good governance (democracy, rule of law, judiciary and civil society), if the Pakistan government itself is uninterested in this agenda, then of necessity India will have to acquire the capability for limited air strikes and commando operations against terrorist infrastructure and operatives hiding in Pakistan. I conclude with the need for the US as well as India to change one final equation, namely the balance of rewards and punishment for Pakistan for its contradictory roles in fighting versus fomenting terror on its western and eastern borders.

1. From Inaction to Military Response

As terrorists have attacked India repeatedly with planning, training and financing based in Pakistan, the balance between some military response and inaction has shifted. Pakistan’s military-intelligence-jihadist complex has been lethally effective in privatising terrorism as an instrument of policy; India’s policy of offshoring the response by appealing to the nebulous ‘international community’ has been ineffectual. India’s muddled ‘shaming campaign’ against Pakistan elicits contempt and pity in India, Pakistan and overseas.

The Mumbai attacks underlined the indivisibility of South and Southwest Asian terrorism. The 9/11 attacks were planned in the mountainous caves of Afghanistan where the Taliban regime, in part a creation of the US and Saudi-backed mujahideen against the Soviet-installed regime, had nurtured them as a potent weapon against all infidels. For years India had warned that the epicentre of international terrorism had shifted from the Middle East to Southwest Asia. Like the warnings of Pakistan as the centre of nuclear proliferation, these were dismissed as the self-interested rants of the regional hegemon. Yet reminders of the enduring relevance of the India equation to Pakistan’s actions in Afghanistan came when US intelligence confirmed the links of Pakistan’s ISI to the terrorist attacks on the Indian embassy in Kabul on July 7, 2008, in which more than 40 people were killed (Mazzetti and Schmitt 2008; Warrick 2008).

---

\(^1\) The two acronyms reflect the respective dating conventions: 26 November 2008 in India, September 11, 2001 in the US.
Pakistan has been triangulated historically by the three ‘As’: Allah, the army and America. Washington and NATO are most interested in cajoling Pakistan to fight the militants in the Afpak battle space and secure their logistical supply route through Pakistan without the added complication of India–Pakistan rivalry. Russia has no leverage over Pakistan. Arch-rival China has a history of using Pakistan to trap India in a subcontinental straitjacket, including assistance with its nuclear weapons program since the 1980s (Smith and Warrick 2009). Pakistan’s first nuclear test was conducted for it by China in 1990 (Reed and Stillman 2009). Outsiders’ neglect of India’s sensitivity could result in a double blow: a costly India–Pakistan war and the intensification of Pakistan-based Islamist terrorism as the country falls apart. Pakistan’s security elite could fall into the familiar trap of mistaking a democratic neighbour’s reluctance to go to war for weakness while ignoring the history of democracies as ‘powerful pacifists’ once their peoples are roused and fully mobilised (Lake 1992, Rosato 2003).

The Mumbai attacks were notable for their savagery, audacity, choice of targets and duration. Indians were as contemptuous of their own politicians as angry at Pakistan. New Delhi’s intelligence failures, internal security shortcomings and bumbling diplomatic response were amplified by politicians’ tone deaf comments. Part of the reason for the public anger is that political leaders are provided with a disproportionately large number of the elite protective force, often as a competitive status symbol rather than to counter genuine threats. There was an unprecedented frozen anger in India at a government that is all bark and no bite. Eventually, unvented rage could morph into rejection of democracy as limp and corrupt.

2. A Strong and Stable Pakistan

Second, India still has a vested interest in a strong and stable Pakistan. But this is no longer critical to India’s own prospects. India would be better off with such a neighbour, just as all South Asians benefit from a vibrant India. For outsiders as for Pakistanis, the choice has often seemed to be between an intolerable status quo and the nightmare of a militantly Islamic, 170-million strong, nuclear-armed failed state at the strategic crossroads of South Asia, Central Asia and the Middle East. That is, in the case of Pakistan the bad is at least the enemy of the worst. Indians shared the dismay of many Pakistanis at their government’s effort in early 2009 to buy peace with the militants, whose agenda was rejected by voters at the ballot box, by acquiescing to the Talibanisation of Swat and Bajaur.

Kashmir has badly corroded India’s democratic, secular and humanist values and institutions, and hobbled its globalist aspirations. India should look to resolve it for reasons of self-interest. That said, the core issue bedevilling India–Pakistan relations is not Kashmir but the nature of the Pakistani state and its obsession with parity vis-à-vis India. Naive Westerners may believe that Pakistan wresting Kashmir from India will buy peace in the subcontinent. There is little to suggest that Islamists are appeased by such ‘victories’. Rather, they are emboldened to launch even more audacious attacks on their infidel enemies.
Born amidst the mass killings of partition in 1947, Pakistan has rarely escaped the cycle of violence, volatility and bloodshed. It lies at the intersection of Islamic jihadism, international terrorism, nuclear proliferation, and the struggle between democratic forces and military dictatorship. It was an artificial creation with a million butchered as ‘collateral damage’ in the great partition of modern times in which Hindus and Muslims seemed determined to outmatch each other’s savagery.

Pakistan had two founding principles, neither of which is a viable basis for a modern state. First, its primary validating argument was negative: the Muslims of the subcontinent cannot be ruled by a Hindu-majority government. Rather than be swamped by Hindus, Muslims wanted their own country. The incompatibility thesis has proven true of Pakistan but not of India. The proportion of Muslims in India today is higher than the corresponding figure after partition. The reverse is true of Pakistan. In marked contrast to Pakistan’s core identity being ‘not India’ (Shaikh 2009), a fundamentalist, anti-Muslim and anti-Pakistan posture is irrelevant to the idea of India (Khilnani, 1997).

Pakistan’s independence was led by the professional elite rather than a mass political movement as in India. There was no political party, like Congress in India, with deep political roots in society. The country remained more feudal socially than India, with politics controlled by the military and the civil service. The army’s strong hold over the state is explained by Pakistan’s weak colonial legacy, weak political parties, social conservatism, and foreign influences (Oldenburg 2010). Enmity with India gave the military the alibi to establish ascendancy over all civilian competitors and also to spread its tentacles into virtually every aspect of national affairs (Nawaz 2008). M. J. Akbar (2009), one of India’s most distinguished Muslim public intellectuals, comments:

Multi-religious, multi-ethnic, secular, democratic India was an idea that belonged to the future; one-dimensional Pakistan was a concept borrowed from the fears of the past. India has progressed into a modern nation occasionally hampered by backward forces. Pakistan is regressing into a medieval society with a smattering of modern elements.

Beyond the anti-Hindu and anti-India negative points of reference, the only other glue that could bind the new country together was Islam. Pakistan is the only country to name its capital after a religion: it was founded as a fortress of the faith. The ruling elite has traditionally viewed Pakistan as the custodian of all Islam, not just as the land for the subcontinent’s Muslims. And, much as the Arab and Islamic worlds regard Israel as a state created by the theft of Palestinian land by Europeans and Westerners, so some Pakistanis believe that India was their patrimony from the Mughal Empire, stolen from them by the British in order to bequeath it to the undeserving Hindus. This is why the leaders of the LeT and the Jaish-e-Muhammad dream of unfurling the Islamic green flag in the Red Fort in Delhi as well as in Tel Aviv and Jerusalem.

Where most countries comprise nations accommodated in one state, Islam is a community divided into several states. In 1971 Islam proved insufficiently strong to hold Pakistan together as the eastern wing seceded to become Bangladesh. It was always unrealistic to believe that a common religion could offset the fissiparous tendencies of a
country separated geographically by the width of India as well as by language and culture. Yet the 1971 generation of the Pakistani elite neither accepted internal failures of governance as the primary cause of Bangladeshi secession nor forgave India for being midwife to Bangladesh’s independence.

Moreover, even the rump modern Pakistan is artificial: there never was any such country at any point in history. Much more so than in India, the real identities are Punjabi, Sindhi, Balochi, and Pashtun. Fearing for ripple effects on its own many potential separatist movements, India has often professed to having a vested interest in preserving a united and stable Pakistan. Traditionally for Indians the question is: What kind of Pakistan does India want – one that is on the brink of state collapse and failure, splintered into multiple centres of power, with large swathes of territory under the control of religious zealots and terrorists; or a stable, democratic and economically powerful Pakistan minus the influence of the three ‘Ms’: the military, militants and mullahs? For India the answer to this question is no longer as straightforward as it should be. Traditionally, those who believed that a final victory for India lies in the withering away of Pakistan were considered to be delusional. Little do they realise, critics said, that having a nuclear Somalia for a neighbour would not be the end of India’s Pakistan problem but rather the beginning of India’s woes.

Yet for over a decade, even as Pakistan teeters on the brink of collapse and disintegration, India has prospered and emerged as a major player in world affairs. Prakash Shah, former Indian Permanent Representative to the United Nations, describes the belief of Pakistan’s stability being essential for India’s progress as the first of several ‘flawed assumptions and myths of the 20th century on which our Pakistan policy is based’ (Shah 2008). A former Indian High Commissioner to Pakistan similarly argues that the claim that ‘a rising India cannot assert its rightful place in the comity of nations without good relations with Pakistan’ is ‘factually incorrect’ and undermines Indian diplomacy: ‘We can “rise” in the world with or without Pakistan’s cooperation’ (Parthasarathy 2009).

3. Four Degrees of Separation
Third, Pakistan’s record of double dealing, deceit and denial of Pakistan-based attacks, in Afghanistan and India alike, has been based on a four degrees of separation -- between the government, army, ISI, and terrorists -- whose plausibility is fading as it is exploited as a convenient alibi to escape accountability. The combination of training, selection and advance reconnaissance of targets, diversionary tactics, discipline, munitions, cryptographic communications, false IDs, and damage inflicted in the Mumbai attacks is more typically associated with special forces units than terrorists. After Mumbai’s three-stage amphibious operation, even US agencies concluded that the LeT is a more capable and greater threat than previously believed (Schmitt, Mazzetti and Perlez 2008). The plot was hatched and launched in Pakistan and while the operation was underway in Mumbai, it was masterminded and controlled from Pakistan. That Pakistanis in general might harbour goodwill and friendship towards India is irrelevant if they have little say in making policy. The enmity with India also explains the
role of the army as an enduring force of Pakistani politics that rules the country even when civilians are in office. The threat from India validates its size, power and influence, dwarfing all other institutions. The difference of scale between Pakistan and India is comparable to that between New Zealand and Australia or Canada and the US. Unlike the other two pairs, Pakistan has always thought of itself as India’s equal in every respect. At the heart of this emotional parity lies the ability to match India militarily. This could not have been done without alliance with the US to begin with, and then sustained subsequently with a de facto alliance with China. While the US viewed Pakistan as an ally against international enemies, the alliance was useful to Islamabad principally in an India-specific context. The two imperatives intersected with the Soviet invasion of Afghanistan. Saudi financing and American arms and training built up the mujahideen as a potent force to bleed the Soviets in Afghanistan. Over time this built up a battle-hardened jihadist army, including Osama bin Laden, which exported terror from Afghanistan to make common cause with Islamist struggles all over the world. Yesterday’s anti-Soviet mujahideen in Afghanistan is today’s anti-Western jihadist everywhere. To Pakistan, control over Afghanistan, first through the mujahideen and then the Taliban, gave it strategic depth against India but pitted it increasingly also against Iran. The Saudi connection led to a spurt of madrassas spewing hatred against Jew, Christian and Hindu with equal venom. The army harnessed Islamism against civilian political parties at home, to maintain control over Afghanistan, and against India. After 9/11, world attention returned firmly to Pakistan because of its shared border with Afghanistan, even though its intelligence services had created and supported the Taliban. When President Pervez Musharraf abandoned the Taliban and joined the US war on terror, the world held its nose and accepted him as a crucial ally.

In power for nine years (1999–2008), controlling both the country and the military, General Musharraf failed to deliver Pakistan from the scourge of terrorism in part because success against the jihadists would end his utility to the West. On all three critical issues -- fighting Islamic terrorism, curbing nuclear proliferation, promoting democracy -- progress was minimal or negative. In a pathology common to military regimes (Heeger 1977), Musharraf could not tolerate political opponents with a mass following. Former prime ministers Nawaz Sharif and Benazir Bhutto were exiled and the two main political parties -- the Pakistan Muslim League and the Pakistan People’s Party -- wedged by cutting deals with religious parties who moved to fill the political vacuum. In this Musharraf followed in the footsteps of previous US-backed dictator General Muhammad Zia-ul-Haq during whose rule the military was Islamicised. Musharraf cut deals with extremists in the restive northwest regions of Pakistan, from where the regrouped Taliban and al Qaeda launched increasingly deadly assaults into Afghanistan. The nightmare scenario of nuclear weapons coming under the control of Islamists has come ever closer to reality (Sanger 2009). The treasure trove of classified US embassy cables published by WikiLeaks demonstrate the depth and extent of concerns about Pakistan’s continuing links with terrorist groups with the attendant risks of nuclear materials being stolen or diverted for use by terrorists in an illicit nuclear device. A suicide attack on a bus in Rawalpindi on July 2, 2009 was the first to single out workers
of Pakistan’s nuclear laboratories (Masood 2009). Abdul Qadeer Khan established a
global nuclear bazaar that did lucrative business with Iran, Libya and North Korea
2004). The government was complicit in, connived in and facilitated, or at the very least
knew about and tolerated the existence and activities of the network. When caught out,
the ‘hero of the nation’ was placed under a comfortable version of house arrest by his
‘friend’ Musharraf. The International Atomic Energy Agency (IAEA) and Americans have
not been permitted to interrogate Khan. Arguably, the Khan network is still active and
Pakistan’s nuclear weapons are not safe (Frantz and Collins 2007, Harrison 2008 and
2010).

Washington – President Barack Obama as much as George W. Bush – never confronted
the core of Pakistani duplicity. The release of secret US embassy cables from around the
world by WikiLeaks clearly showed that Pakistan’s ISI remains the Taliban’s most
important accomplice (Miller 2010, Buncombe 2010), a point made also by Matt
Waldman (2010) of Harvard University’s Carr Center. If Pakistan successfully eliminated
the threat of Islamists, its utility to Washington and the fear of the alternative would
disappear and the flow of US money stop. If it failed to show any tangible progress, it
would be been toppled. So it plays both ends against the middle brilliantly. But that
meant that the policy contradictions ripened and threatened to burst. The Islamists
survived, regrouped, built up their base and launched more frequent raids across the
border in Afghanistan but also increasingly deep into the heart of Pakistan itself. Slowly
but surely, Pakistan descended into the failed state syndrome where the Koran and
Kalashnikov culture reign supreme (Rashid 2008). Almost every incident of international
terrorism, including 9/11 and the failed Times Square bombing in 2010, has had some
significant link to Pakistan.

Against this backdrop, the November 26 Mumbai attacks presented India with a policy
dilemma of heads they win, tails we lose. No effective response by New Delhi keeps
India bleeding at a cost-free policy for Pakistan. A military response would allow
Pakistan’s army to break from fighting the Islamist militants that deepens the army’s
unpopularity, assert dominance over the civilian government, regain the support of the
people as the custodian of national sovereignty, and internationalise the bilateral
dispute.

4. Civilian Supremacy

To escape from the dilemma, one or both of two further equations need to change.
Pakistan’s military must be brought under full civilian control and the military and
intelligence services’ links to the Islamist militants must be totally and verifiably severed.
This cannot be done unless and until the government accepts the evidence of the
connections to Pakistan from the captured terrorist as well as satellite and cellular
Changing Balance of India–Pakistan Relations

Phone logs and intercepts. Outsiders, including India, cannot help if the government persists with denial well past the point of plausibility. The dossier provided by India, assembled with the help of the forensic skills of American and British agencies, was compelling. There is justification for Secretary Madeleine Albright’s description of Pakistan as ‘an international migraine’ (Hindu 2008), and the more popular label of it as the world’s terror central.

The standard of proof for protection from foreign attacks cannot be the same as in national courts of law: ‘Beyond reasonable doubt’ has a different connotation in the two contexts. The West was right to reject demands from Afghanistan’s Taliban government for ‘proof’ after 9/11; the same applies to similar demands from Pakistan. British and American leaders have become increasingly open in affirming a connection between the 26/11 terrorists and elements of the Pakistani state. Recognising Pakistan’s political difficulty in giving access to Indian security officials for investigations on Pakistani territory, India hoped that the investigations could be carried out there by the US Federal Bureau of Investigation (FBI) instead. India also acknowledged that the FBI has more sophisticated technical equipment with which to mine the information from the recovered satellite and cellular phones. Their investigations broadly concurred with the Indian conclusion about the links to Pakistan.

Britain’s new Prime Minister David Cameron provoked a diplomatic row with Islamabad by accusing elements of the Pakistani state of promoting the export of terrorism, insisting that the country could no longer ‘look both ways’ by tolerating terrorism while demanding respect as a democracy (Watt and Dodd 2010).

Long after Pakistan’s own investigation began to confirm substantial links between the ten gunmen who attacked Mumbai and the LeT (Hussain, Rosenberg and Wonacott 2008), the government kept pressing the restart button on the policy of total denial. Far from accepting the evidence and showing the intent to act on it, the government sacked its National Security Adviser, retired Major-General Mahmud Ali Durrani, when he acknowledged that the captured tenth terrorist was indeed a Pakistani national. Speaking in parliament, Prime Minister Yusuf Raza Gilani dismissed India’s dossier as information, not evidence. This only served to demonstrate Pakistan’s habitual pattern of evasiveness and reinforced doubts about its willingness to cooperate in tackling and eliminating the common threat of terrorism. Gilani also questioned the world’s double standards for silence over the ‘immense torture’ of innocent Kashmiris and the killings of children and women in Gaza while exaggerating and raising a hue and cry over the single incident in Mumbai (Subramaniam 2009b).

As a former Indian foreign secretary comments, in the wake of Mumbai, ‘Victim India has been reduced to petitioning for justice from guilty Pakistan’ (Sibal 2009a). Islamabad managed to reduce Mumbai ‘to a debate on evidence, stretching it out to release pressure for quick redressal by subjecting it to a process... The strategy is to buy time, knowing that as it elapses, urgency is lost and the world’s attention moves elsewhere’

---

2 The obverse is also true. The frequency, geographical spread across India, scale and sheer audacity of the terrorist attacks suggest the existence of wide sympathy and support networks inside India rooted in indigenous grievances.
It was not until February 12 that Interior Minister Rehman Malik admitted that ‘some part of the conspiracy has taken place in Pakistan’ and that six suspects had been arrested while two others were still at large (BBC News 2009). The trouble with the Balkans, it is said, is that they produce more politics than they can consume. It might be said similarly that the trouble with Pakistan is that it produces more terrorism than can safely be exported. Serial attacks might wound India, but Pakistan itself will be consumed by the furies it has created before India is destroyed. In a statement in January 2009, human rights activists, women’s rights activists, teachers, labour leaders and journalists expressed alarm at the loss of life, denial of education to girls and large-scale displacement of civilians in Pakistan’s northwest frontier regions (Subramanian 2009a). They regretted the ‘total absence of a cohesive policy by the government of Pakistan to protect its own citizens or any strategy to challenge militant outfits that operate with impunity within and outside the country’. The government of Pakistan, they said, ‘must no longer stay in a state of self-denial’. Winking at the existence of terrorist outfits within Pakistan ‘will amount to self-annihilation and greater isolation from the comity of nations’. ‘Quite ironically’, they noted, ‘terrorism, which should have brought India and Pakistan together to defend peace and people’s security, pushed them to the brink of a mutually destructive war’.

On March 3, 2009, terrorists struck the Sri Lankan cricket team in Lahore in an attack that was eerily reminiscent of Mumbai. Both represented a shift in tactics from suicide bombs to a commando-style military assault with a small team of well trained, heavily armed, physically fit and highly disciplined operatives: ten in Mumbai, a dozen in Lahore. There were similarities in the choice of locations: dense urban centres that are relatively unprotected where the terrorists established strategic choke points to impede counter-offensives by the security forces. Both entailed advance reconnaissance of targets and locations and coordination of dispersed cells through basic technology like cell phones (Mumbai) and two-way radio (Lahore). Both groups of young males were calm, focused, methodical and unhurried. Both groups carried a generous supply of food and drugs in backpacks to enhance performance and sustain stamina. And both hit high value targets in the upmarket tourism and international sporting sectors. Moreover, the choice of targets in both cases gave the lie to any simplistic linkage of the attacks with grievance over Kashmir.

In the aftermath of the Mumbai and Lahore attacks, the LeT has to be considered to be as dangerous a threat as al Qaeda to US and British interests. Investigations by US agencies turned up a total of 320 potential overseas targets on the LeT’s hit list, of which only 20 were in India. Others included British, US, Australian and Indian embassies, government buildings, tourist sites and global financial centres. According to Charles Faddis, a retired CIA chief of counterterrorist operations in South Asia, ‘It was a mistake to dismiss it [Lashkar] as just a threat to India’ (Rotella 2010).

The brazen occupation of a police academy on March 30, 2009 by heavily armed gunmen in Lahore in which 27 policemen and several militants were killed confirmed that the spectre of Islamist terrorism had fanned out from the northwest tribal belt to threaten political stability in Pakistan’s heartland (Constable 2009; Tavernise, Gillani and Masood 2009). Reaping a bloody harvest in Lahore, the Swat valley and elsewhere from
having supped with the extremist devil, Pakistan has temporarily narrowed the
definition of its security interests with India’s (and the West’s) in facing the threat of
terrorism.
In an interview, Prime Minister Singh said that India’s position remains that ‘no effective
action has been taken [by Pakistan] to control terror’ and Islamabad is either ‘unable’ or
‘unwilling’ to crack down on the militant groups (Lamont, Russell and Kazmin 2009).
Pakistani authorities were deliberately tardy in preparing their case against LeT founder
Hafiz Muhammad Saeed in the lead-up to his release by the Lahore High Court in June.
During her 2009 visit to India, Secretary of State Hillary Clinton said that the planners of
9/11 were now sheltering in Pakistan; the Pakistani foreign ministry issued an
immediate rebuttal (Schmitt and Perlez 2009).
In July 2009, during a meeting with former senior civil servants, for the first time Zardari
admitted that militants and extremists were ‘created and nurtured’ by Pakistan ‘as a
policy to achieve some short-term tactical objectives’. He added that ‘The terrorists of
today were the heroes of yesteryears until 9/11 occurred and they began to haunt us as
well’ (Subramaniam 2009c; ‘Pakistan created and nurtured terrorists, admits Zardari’,
Times of India 2009). Unfortunately, the president cannot be presumed to be speaking
for the military as the stronger centre of power.
Christine Fair argues that ‘successive Pakistani governments have successfully wagered
that chronic instability and the imminent dangers of terrorism and nuclear black-
marketeering would leave the world with no choice but to bail them out, regardless of
their failures’. Since 2001, Washington has provided more than $20 billion of military
and economic assistance to Pakistan. Yet at the end of it Hillary Clinton still declared
Pakistan to be a mortal threat to international security. ‘The massive infusion of foreign
aid has also allowed Pakistan to avoid having to choose between guns and butter’ --
choices that define the democratic process (Fair 2009). Washington must confront the
moral hazard of continuing -- even increasing -- international aid being tantamount to
Pakistan reaping an ever-growing terrorist dividend.
US officials have begun to communicate more openly to the press their frustrations with
Pakistani tardiness in dealing with ‘the full array of Islamic militants using the country as
a base’. The two ‘allies’ differ over whether the Afghan Taliban leader Mullah Muhammad
Omar is in Pakistan or Afghanistan; whether Sirajuddin Haqqani, whom US
intelligence holds responsible for the 2008 bombing of the Indian embassy in Kabul,
poses a threat; and whether LeT founder Saeed is merely an ideologue without an anti-
Pakistan agenda who deserved to be freed by the courts instead of being kept in
custody (Schmitt and Perlez 2009; Buncombe and Waraich 2009).

5. Taking the Fight to the Enemy
The second solution should be attempted only if the establishment of civilian supremacy
over Pakistan’s military-intelligence services proves impossible. The state of extreme
denial of the government does not inspire confidence that Pakistan will depart
significantly from its modus operandi of initial denials, grudging acceptance in the face
of incontrovertible evidence in due course, the absolute minimum necessary to absorb
and deflect international pressure for action against the perpetrators, promises to stop future attacks, and then back to business as usual.

India still has several options to explore before having to confront the need for some overt military or covert intelligence action. It could restrict commercial transport and tourist links with Pakistan or downgrade diplomatic relations. India could urge arms exporting countries and firms not to sell armaments to Pakistan. If they disregard the request, they could be blacklisted from bidding for the supply of armaments to India, one of the most lucrative arms market in the world. India could become far more aggressive against Pakistan in international lending institutions. Several UN-specific measures could be pursued by India against Pakistan as a state sponsor of Islamist terrorism. Drawing on the 13 UN conventions against terrorism, India could mobilise the Sanctions Committee established under Security Council Resolution 1267 and also maintain pressure for action under Resolution 1373, adopted after 9/11, that requires all states to take forceful action against terrorist groups with respect to their finances, arms, movements, etc. Noncompliance or inaction could be met by the threat and imposition of ‘smart sanctions’ such as travel bans on the political and military leadership and arms embargoes that would hurt the military the most.

President Reagan was ultimately proved right in his strategy of bankrupting the Soviet Union: Moscow simply could not match the US capacity to accelerate its arms inventory. India has not used its superior economic dynamism and vibrancy to similar ends and effect. Deteriorating bilateral relations will lead to a rise in security and defence expenditure and put a huge strain on public finances. This would put at risk Pakistan’s ability to meet fiscal deficit targets and jeopardise IMF loans and foreign direct investment alike to fill the domestic saving/investment gap.

In the event that none of this leads to demonstrable action and measurable progress within a reasonable timeframe, the question of unilateral action will become inescapable. Like the Americans firing missiles into Pakistan from unmanned drones, India could adopt the policy of taking the fight into neighbouring territory from where terror attacks originate. It could take out the human leadership and material infrastructure of terrorism through surgical strikes and targeted assassinations. If India does not have such intelligence and military capacity today – the Mumbai police used World War II vintage rifles and even elite commandos lacked night vision equipment that is standard issue for major metropolitan police forces in the West – then it could invest all means necessary to acquire it forthwith. And combine it with escalation dominance capability: the enemy should know that any escalation from the limited strikes will bring even heavier punitive costs from a superior military force.

For more than a decade, lacking a coherent vision or strategy on how to deal with the dilemma of quasi-official complicity in cross-border terrorism and flat official denial, at best India has managed to cobble together a muddled ‘shaming campaign’ against Pakistan as it solicits international censure of terror-tolerant postures by Pakistan. At worst it elicits embarrassed contempt, not sympathy and support, for hand-wringing appeals to others to sort out the mess in its own neighbourhood. In a perverse and stubborn pattern of not letting national interests come in the way of abstract principles and noble ideals, India persisted in publicly criticising Israel for its military campaign
Changing Balance of India–Pakistan Relations

against Hamas in the Gaza shortly after the Mumbai attacks (Hindu 2009). This when Israel is the only other country that can compare and empathise with India’s predicament and policy dilemma in facing the threat of serial terror attacks planned, organised and launched from neighbouring territories. By contrast, Israel’s ambassador to India Mark Sofer refused to advise or criticise India on its approach, pointedly noting in an interview that ‘India lives in a shocking neighbourhood, very much like Israel. It is not easy being in such a neighbourhood. That is why Israel has stood steadfast by India during and after the Mumbai terror attacks. We hardly even changed our travel advisory’ (Sinha 2009).

Of course there are differences. For one, Israel’s dilemma is not as sharp because the Palestinians do not constitute a nuclear-armed state (which should make Indians sympathise with the Israeli fear of an Iranian bomb). For another, India does not have Israel’s total local air dominance. But the geopolitical, demographic and terrorist infrastructural differences also mean that India can avoid the disproportionate and heavy civilian casualties that major Israeli strikes entail.

That is, to the extent that terrorism is used by Pakistan as a continuation of war by other safer and less costly means, India has to fashion a robust response within a clear vision and a hard-nosed strategy of turning terrorism back into warfare that imposes heavier, not lighter, penalties and damage. This is emphatically not an aggressive but a defensive policy: no terrorist action, no military retaliation. Conversely, should the Arab Spring spread eastward, Pakistan’s educated middle class reclaim ownership and control of the nation’s destiny, and civilian rule and secular democracy take hold there, other than Pakistanis themselves, Indians will be the happiest in the world and ready to embrace their neighbours most warmly.

The policy dilemma facing India is that it cannot persuade the US and Europe to act decisively against Pakistan, despite the evident failure by the latter to take effective measures to destroy all terrorist networks and apprehend or neutralise all terrorist personnel based on its territory. But, because in one of his unilateral and non-reciprocal goodwill gestures towards Pakistan, Prime Minister Inder K. Gujral ordered the dismantlement of India’s covert retaliatory capability and assets in Pakistan in 1997 [Raman (India’s former counter-terrorism head) 2009], India lacks the capacity to take calibrated retaliatory measures short of the open use of military force. And to resort to overt war is to risk all the dangers that are inherent in this final and ultimate option.

There is no national or international security crisis so grave that it cannot be made worse by going to war, with a full range of unpredictable and perverse consequences (known and unknown unknowns, in Donald Rumsfeld’s marvellously evocative language). The first is the risk of failure, that is military defeat, for only the battlefield can test a country’s investment in weaponry, equipment, training and doctrine against the likely enemies. Short of that, there are the risks of political and social upheavals in one’s own country, including an inevitable rise in Hindu–Muslim tensions in any war with Pakistan. There are the matching risks of the domestic and policy consequences in Pakistan, including the strengthening of the military vis-à-vis the government and civil society, a nationalistic unity behind the government as it faces the historic enemy, a decision to reinvest in and even expand covert and clandestine assets and operations
against India with the help of Islamist militants, and an escalation to a nuclear exchange with all the attendant dangers (see Thakur 2000).

To walk away from the war option in perpetuity is to give free rein to Pakistan to engage in serial provocations as a low-cost,\(^3\) moderate-value, long-term strategy. Given these costs, risks and constraints, India’s fourfold policy imperative is to institute new and effective security measures to prevent and defeat terrorist attacks on its soil, develop intelligence capability to detect and disrupt plans for terrorist strikes, create a credible yet deniable capability to pre-empt or retaliate against attacks from beyond its borders, and avoid having to go to war by convincing Pakistan (and Washington) – through military modernisation, doctrines and deployments – of its ability and determination to do so. As a corollary, Pakistan’s fourfold policy imperatives are ‘to exercise effective control over Jehadi groups, sustain influence over a Talibanised Afghanistan as strategic depth for Pakistan, milk the US for billions of dollars and succeed in continuously bleeding India through a thousand cuts’ (Subrahmanyam 2009).

The only decade of peace between India and Pakistan was after India’s decisive military victory in the Bangladesh war of 1971, when India enjoyed unquestioned supremacy in the bilateral military equation. This changed with renewed US aid to Islamabad after the Soviet invasion of Afghanistan in 1979. Pakistan aided and abetted the insurgency in Kashmir whose root causes lie in New Delhi’s interference in Kashmiri provincial politics and an increasingly brutal Indian security presence there. In 2009 the Obama administration’s so-called AfPak strategy confronted Indian policymakers with the prospect of an unwelcome shift from de-hyphenation with Pakistan to bi-hyphenation with Afghanistan and Pakistan that would link the volatile Afghanistan–Pakistan border to the unsettled India–Pakistan border.

6. Reversing the Structure of Incentives for Backing and Fighting Terrorists

The bilateral relationship, burdened by decades of conflict (Ganguly 2001, Paul, 2005, Wolpert, 2010), remains politically fraught. Yet there is a desperate need for all countries of the region to cooperate in ridding South Asia of the deadly virus of terrorism, and peace between India and Pakistan might be indispensable for that. Pakistan’s contributions to the war on terror on its western front are of lesser import than its fuelling of terror on its eastern front. Yet the rewards for the former exceed penalties for the latter. And much of the US military aid has been directed by Pakistan at India, not the Taliban. Pakistan has also been rapidly adding to its nuclear arsenal, raising questions about how much of the US military assistance might be diverted to the country’s nuclear program (Shanker and Sanger 2009). Pakistan today has the world’s fastest growing nuclear arsenal, as well as the most terrorists per square mile (Riedel 2011). By January 2011, its nuclear arsenal of more than 100 deployed weapons exceeded India’s (DeYoung 2011; Sanger and Schmitt 2011). Uniquely among all nuclear-armed states, Pakistan’s nuclear policy, program and weapons are under military

\(^3\) The cost is low only in relation to India’s limited retaliatory options, but very high once the rise and spread of militancy within Pakistan is factored in.
control; it hosts and supports terrorist and insurgent groups as instruments of security policy; and it is a revisionist and irredentist state. As a result, unlike other dyadic nuclear rivalries that focus on managing stability, Pakistan seeks ‘managed instability’ which is poorly understood, analyzed and theorized (Gregory 2011).

In 2009–10 it became increasingly clear that unable to win on the battlefield in Afghanistan, yet unwilling to acknowledge defeat and confronting an American public growing increasingly war weary and restive, the Obama administration was seeking face-saving extrication from the costly entanglement. Both to control and influence events in Afghanistan post-NATO withdrawal and to use the militants as a strategic asset – and Afghanistan as a strategic sanctuary for them – against India, Pakistan has an interest in preventing their complete destruction and elimination. ‘While the Obama administration sees the insurgents as an enemy force to be defeated as quickly and directly as possible, Pakistan has long regarded them as useful proxies in protecting its western flank from inroads by India, its historical adversary’ (Brulliard and DeYoung 2010). Moreover, if the threat of Pakistan-based militancy evaporated and Afghanistan was stabilised, Pakistan’s utility to Washington would fade and the aid and possible lever of US pressure on India on Kashmir would disappear (Ganguly and Kapur 2010). On balance, therefore, the compromise policy that Pakistan followed – do enough to appease Washington while still preserving a viable cadre of Islamic militants for future deployment as, when and where necessary – made eminent strategic and political sense. This is why, as one frustrated US official complained, while American generals ‘want to talk about the next drone attacks’, Pakistan’s powerful army chief General Ashfaq ‘Kayani wants to talk about the end state in South Asia’ (quoted in Brulliard and DeYoung 2010).

There are three possible explanations for why the US continues to accept its military assistance to Pakistan being bent to counter the perceived threat from India in addition to, and sometimes instead of, targeting the threat from extremists. It might be afraid that increased pressure could make Pakistan cease cooperation completely. It might believe that India will continue to make perfunctory protestations but can do little else. Or it might reflect the influence of the military–industrial complex that has no wish to see its profit volumes decline. Whatever the explanation, India has had only limited leverage in shaping the calculus of US arms sales and military assistance to Pakistan. Pakistan’s policy ‘trilemma’ may be simply stated: it must secure itself against its internal terrorist enemy; it must protect itself against its external enemy India, including by safeguarding Afghanistan as a strategic depth sanctuary; and it must stay engaged with the United States (Siddiqa 2011). India and the US, acting together in close concert, need to reverse the structure of incentives and penalties. Failure by India to respond forcefully and effectively will embolden and inspire terrorist actors in Pakistan and their sympathisers-cum-supporters inside the military and intelligence agencies that the benefits of attacking high value targets in India of political (parliament), commercial (financial capital), cultural (Jewish centres), religious (Hindu temples and festivals) and symbolic (iconic hotels) significance far outweigh pinprick costs. Echoing this argument, former US ambassador to Afghanistan Zalmay Khalilzad (2010) insists that ‘Washington
must offer Islamabad a stark choice between positive incentives and negative consequences’. So must India.

Reimagining South Asia
The pivot of South Asian geopolitics is the India-Pakistan rivalry that has sabotaged India’s tryst with destiny as a global power and Pakistan’s ambition to be the leading light of the Islamic world. Will 2047 mark 100 years of solitude in their bilateral relations on which hinge the fates of all South Asians? Or can they sublimate their conflict to the vision of a shared regional future of prosperity and stability?

A turnaround in relations will have to be based on a grim appreciation of the costs of continued enmity as weighed against the gains from cooperative friendship. It will also require a quality of visionary national leadership in both countries simultaneously conspicuously lacking at present.

But let us imagine that by 2047 everything that can has gone right. There will be a South Asian economic union: a single market with no tariff or non-tariff barriers to the movement of goods, services, capital and labour and a common external tariff. South Asia will have regional regulatory norms, instruments and institutions to ensure a level playing field for producers, manufacturers and consumers; cross-recognition of qualifications, skills and certifications, with common professional governing bodies for tradesmen, engineers, doctors and lawyers; and domestic supplier status for businesses in procurement tenders for all countries. There will be comparable labour and industrial laws and policies among all countries to facilitate entry and exit of workers and firms, with market forces determining business decisions.

There will be a common regional currency – most likely called the rupee. A powerful and independent South Asian Central Bank will have the responsibility to ensure that member countries’ monetary and fiscal policies do not stray outside of agreed bands. There will also be tough enforcement of competition and anti-corruption laws and norms and common prudential and surveillance instruments to stop the market from running amok.

Economic integration will spur market efficiencies, scale economies, specialization based on factor and other comparative advantages, and a shift to more productive, innovative and balanced national economies. The size of the aggregate regional market will attract considerable investment capital. The advanced infrastructure, good governance norms and institutions, and highly-skilled, educated and mobile labour force will underpin rising productivity and prosperity.

South Asia will have a region-wide free market combined with a social welfare ethos that provides affordable social security safety nets for the poor and underprivileged. Government policies will keep in check inequalities between individuals, (castes,
religions, regions, and countries. Consequently, South Asia will have climbed dramatically up the human development ladder.

The advances in human security will be matched by a highly progressive human rights machinery that seamlessly integrates national and regional norms and institutions – including a South Asian Human Rights Commission to advocate and defend human rights, and a South Asian Human Rights Court to enforce human rights laws and verify that national laws and practices comply with regional norms.

There will also be an appropriately mandated and adequately resourced High Commissioner for National Minorities and Tribal Peoples. Other regional institutions will include variations of a South Asian parliament, commission, president and foreign minister.

To be poor and female in South Asia is to be doubly cursed. Like women, children are acutely vulnerable to abuse. Human trafficking – to service the sex trade, the adoption industry, the begging-for-alms industry – is a problem across South Asia, with women and children its biggest victims. South Asia is also a major source of migrant workers to many Middle Eastern countries. By 2047, national performance will be aligned with international norms in combating women and children-specific social ills. South Asian countries will have common norms and advisory and investigative services to protect the rights and ensure the welfare of one another’s citizens working and travelling abroad.

They should also have common environmental norms, laws and institutions backed by a South Asian Environmental Protection Agency. Moreover, there will be South Asian regional bodies to regulate waterways, manage river systems, establish water usage and distribution norms, monitor water tables and pollution indices, control deforestation and oversee reforestation, encourage biodiversity and preserve ecosystems.

In 1947, owing to improved security relations, the line separating Indian from Pakistan-administered Kashmir will be irrelevant – for all practical purposes – as a daily reality. Indian and Pakistani defence forces, substantially cut back in numbers, will be engaged mainly in the tertiary sector of national, regional and global constabulary, peacekeeping and disaster relief operations. Indeed, South Asia will be a major node of peacekeeping best practices and lessons learned. South Asian countries will also have stopped being the haven for basing, financing or arming each other’s terrorists, and instead will have initiated measures of regional cooperation against terrorism and drug trafficking.

The abatement of the risks of terrorism and India-Pakistan warfare will have led to a boom in South Asian tourism. No other region in the world can compare or compete with South Asia – with its wealth of natural wonders and historical legacies, architectural monuments, and human diversity – for internal and international tourism. By 2047, there will be an active and highly visible South Asian Tourism Development and
Marketing Board to promote joint tourism. Such tourism – and business more broadly – will have been greatly facilitated by the adoption of a regional passport-free travel throughout South Asia.

References


