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INDIA AND ITS NEIGHBOURS



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BLOCK- I
INDIAN FOREIGN POLICY AND ITS
NEIGHBOURS: ORIGIN, DETERMINANTS
AND MAJOR THEMES

- Unit 1: India's Neighbourhood First Policy**
- Unit 2: Historical background and evolution of the policy**
- Unit 3: Major Determinants of India's Neighbour Policy**
- Unit 4: India's Neighbour Policy: Border disputes with neighbouring countries**
- Unit 5: India and the Indian Ocean Region**

UNIT: 1

INDIA'S NEIGHBOURHOOD FIRST POLICY

Unit Structure:

- 1.1 Introduction
- 1.2 Objectives
- 1.3 Basic Objectives of India's Neighbourhood First Policy
- 1.4 History of India's Neighbourhood First Policy
- 1.5 Various schemes and programmes under India's Neighbourhood First Policy
- 1.6 Challenges to this policy
- 1.7 Summing Up
- 1.8 References and Suggested Readings

1.1 Introduction

Since independence, India has consistently tried to maintain sovereignty and autonomy through a defined foreign policy based on national interest and geopolitical shifts. The post-colonial foreign policy was based on the ideas of opposition to colonialism and imperialism, with the Nehruvian policy of non-alignment taking the centre stage. The successive leadership emphasized on the principles of peaceful coexistence, establishing regional stability, alleviate cold-war tensions and focussing on disarmament. One of the main features of India's foreign policy was to continuously strive to create harmonious relations with its immediate neighbours. With this objective in mind, India played a key role in the Liberation War of 1971 helping in the creation of Bangladesh. To foster greater ties among South Asian countries and aid in socio-economic and regional development, India facilitated the establishment of the South East Association for Regional Cooperation (SAARC). In the

post-liberalisation era, the Congress government introduced the 'Look East Policy' to strengthen ties with the broader neighbourhood. The Neighbourhood First Policy (NFP) introduced in 2008 was an attempt to expand India's relations with Afghanistan, Bangladesh, Maldives, Myanmar, Nepal, Pakistan and Sri Lanka which focussed on creating mutually beneficial and outcome-driven partnerships.

1.2 Objectives

This unit is an attempt to analyse India's Neighbourhood First Policy. After going through this unit, you will be able to-

- *understand* the basic objectives of India's Neighbourhood First Policy;
- *comprehend* the history behind the formation of the policy;
- *initiatives* under India's Neighbourhood First Policy;
- *discuss* the challenges of this policy;
- *recognize* the significance of this policy.

1.3 Basic Objectives of India's Neighbourhood First Policy

The Neighbourhood First Policy has become a core concern with the leadership focussing on managing relations with priority countries who are geographically in the immediate vicinity. The primary objectives of this policy, as laid down by the Ministry of External Affairs are :

- Boost physical, digital and people-to-people connectivity.
- Promote economic cooperation by enhancing trade and commerce.

- In a statement laid to the Starred Question No. 262 in the Lok Sabha, the then Minister for External Affairs further elaborated that India endeavours to strengthen relations with these countries on a “consultative, non-reciprocal and outcome-oriented basis, driven by the principles of Samman (respect), Samvad (dialogue), Shanti (peace), and Samriddhi (prosperity).”
- To extend developmental support like infrastructural assistance and capacity building initiatives to neighbouring countries to ensure holistic regional development.
- To advance financial, budgetary and humanitarian assistance to these countries as and when required.

1.4 History of India’s Neighbourhood First Policy

India’s Neighbourhood First Policy has primarily gone through varied phases. As mentioned earlier, anti-colonialism, anti-imperialism and peaceful coexistence were the guiding light of India’s foreign policy. During the period immediately after independence, under Prime Minister Jawaharlal Nehru, Indian foreign policy was based on recognition of moral principles on one hand and identifying the significance of maintaining a non-aligned stand and protecting the hard-earned sovereignty of the country on the other. A blend of both idealism and realism – as the foreign policy of that time was perceived to be. The neighbouring countries in post-independent India were manifested with problems and challenges that Nehru had to deal with immediately after taking charge. The creation of Pakistan, Kashmir issue, border disputes with China and fluctuating relations with Burma and Sri Lanka made establishment of cordial relations with these countries a

difficult task. Nevertheless, the Indian government worked steadfastly to cultivate good relations with neighbouring countries.

The foreign policy took a sharp turn to adoption of realist principles under Indira Gandhi. India embarked on a journey of military development, including areas of nuclear and space development. Gandhi adopted a realist approach while dealing with the crisis in Afghanistan and strategically managing relations with the US and the Soviet. The signing of the India–Bangladesh Treaty of Friendship, Cooperation, and Peace in March 1972 in Dacca provided a foundation for establishment of relations between India and Bangladesh. Regarding Sri Lanka, India had its own interests in resolving the Sri Lankan issue, yet the training provided to Tamil rebel youths came under severe criticism. Indira Gandhi's successor Rajiv Gandhi also made substantial efforts to reconcile relations with Sri Lanka, Afghanistan and Pakistan. The signing of the Indo-Sri Lanka Peace Accord in 1987 was a step in the right direction to alleviate the Sri Lankan problem. The political and economic support to Afghanistan extended by Rajiv Gandhi government envisioned to create stability in the country. Successive governments of P.V. Narasimha Rao, Atal Behari Vajpayee and Manmohan Singh set on a trajectory defined by economic diplomacy and integrating India to the global financial domain, extending beyond the immediate neighbourhood. The evolution of India's foreign policy from non-alignment to connectivity and greater engagement in the post-cold war era highlights a rearrangement of national interests and strategic realignments. Two multidimensional policy changes were witnessed during this transitional period which metamorphosised Indian foreign policy. For instance, the Look East Policy was initiated in 1991 to cultivate vigorous economic, strategic and cultural relations with the countries of Southeast and East Asia due to the massive underlying possibilities of growth in

the region. The policy was restructured as the 'Act East Policy' to signal a more active engagement of India with its neighbourhood in 2014 with an extended vision of developing the North-eastern region of India. The second fundamental shift in foreign policy was the Gujral Doctrine formulated by Former PM Inder Kumar Gujral in 1997 helped to minimize hostilities in South Asia and further South-South cooperation. Together, these form the cornerstone of Indian diplomacy.

The increasing realisation that India's neighbours, specially with whom India shares geographical boundaries, play a key role in regional security and the need to step up India's voice in the regional and global domain made realignment with neighbours absolutely essential. India's extended neighbourhood also provides several opportunities for enhancing trade, investment and connectivity and foster a counter influence to an increasingly aggressive China. Moreover, India's quest for multi-layered partnerships with neighbouring countries with which it shares longstanding historical, cultural and civilisational links show a just cause for restructuring of comradely relations with its neighbours.

The concept of the Neighbourhood First Policy thus came to be formulated in the backdrop of this history in 2008. The policy set to prioritise India's pragmatic shift to foreign policy and India as a responsible regional partner in cultivating trade and economic cooperation, capacity development, cultural and people-to-people relations.

STOP TO CONSIDER

- Establishment of good relations with neighbours was a primary objective of Indian foreign policy since its inception in post-independence India.

- The foreign policy of India was guided by the principles of anti-colonialism, anti-imperialism, non-alignment and peaceful coexistence.
- In the post-Cold war period, greater engagement of India, emphasising on strengthening connectivity with its neighbours and integrating India to the global financial domain made it imperative for India to step up efforts to make a more pragmatic shift in foreign policy, resulting in extending cooperation to immediate and extended neighbourhood.

SELF-ASKING QUESTIONS

Q. Is India's Neighbourhood policy a new component in India's foreign policy? Justify your answer with appropriate arguments.

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1.5 Various schemes and programmes under India's Neighbourhood First Policy

As the reflection of interest of India with its immediate neighbourhood, India has initiated a number of schemes under India's Neighbourhood First Policy. Various agreements ranging from trade, science and technology, political-security, socio-cultural, agriculture, space, environment and climate change, capacity-building, energy and others have been signed between India and neighbouring countries under its Neighbourhood First Policy. Providing financial aid to neighbouring and strategic partners is in fact a central focus of the neighbourhood policy. A few have been outlined below:

Trade

Trade between India and neighbouring countries form the backbone of cooperation. With the positives of global and regional economic integration well recognised, India's trade landscape has productively contributed towards increasing the volume of trade with its neighbours. Some of the notable achievements on trade have been mentioned below:

- The Bangladesh Bhutan India Nepal (BBIN), a sub regional architecture, formalized in 1997 aims to strengthen trade and improve cross border movement and people-to-people ties.
- India has several Free Trade Agreement (FTA's) signed on a bilateral basis with Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan, and Sri Lanka. Also, the South Asian Free Trade Area (SAFTA) between the contracting states of SAARC came into force in 2006 to promote mutual trade and economic cooperation, though its effectiveness has come under scanner because of its limited success.
- India-Bangladesh has shared interests in promoting prosperity through trade. The volume of bilateral trade has been increasing over the years, albeit some challenges. Apart from usual commodities, the two countries have also extended their cooperation in the Start Up sector.
- High-level exchanges between India and Sri Lanka have provided a new impetus to bilateral cooperation. In fact, deeper economic partnership has been the bedrock of the relationship. India is Sri Lanka's largest trade partner with Indian investments being one of the largest. So far 14 rounds of negotiations have been conducted under the FTA

and talks are also round the corner to further diversify the trade basket.

- Relatively speaking, India and Nepal need to work on trade imbalance by lowering tariffs and modifying trade and transit practices. Both the governments have initiated seamless cross-border connectivity to strengthen the trade partnership.
- Trade with Afghanistan has immense potential, however, the transit problem through Pakistan has been an obstacle for improving bilateral trade relation. However, the opening of Chabahar port and the Air Freight Corridor has become a beacon of hope for both countries who are now set to expand their ties, amidst the ongoing commitment towards Afghanistan's development and humanitarian needs.
- Trade between India and Maldives has seen a positive trend with the volume of trade increasing in recent years. To further intensify trade relations, both countries are exploring the prospects of signing a Bilateral Free Trade Agreement.

Connectivity

Agreements between India and neighbouring countries revolve around land, air and maritime connectivity, cross border movement of vehicles and strengthen the establishment of economic corridors for enhancing trade and investment.

- The India-Myanmar-Thailand Trilateral Highway is a project connecting Moreh in India to Mae Sot in Thailand and Bagan in Myanmar.

- The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) represented by Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand is an initiative for facilitating economic growth and deeper integration.
- Lines of Credit (LoCs) have been offered by Government of India to 68 countries around the world. The neighbouring countries of Bangladesh (8 billion dollars), Sri Lanka (1.4 billion dollars), Nepal (1.65 billion dollars), Maldives (1.3 billion dollars) and Myanmar (476 million dollars) have all been benefitted by LoCs. In fact, the bulk of concessional credit from India goes to its neighbours in areas like infrastructure, power generation, irrigation, healthcare and capacity building.
- Kaladan Multi-Modal Transit Transport Project aims to develop water connectivity between connecting Kolkata in India to Sittwe in Myanmar.
- The Mekong -India Economic Corridor connects cities in Vietnam, Thailand, Myanmar and Cambodia with the objective of developing infrastructure, boost trade and productivity and increasing efficiency between partner countries.

Humanitarian Assistance:

Cooperation in the HADR (Humanitarian Assistance and Disaster Relief) section solidifies India's strategic position in the neighbourhood as India has been playing a leading role in providing help to needy neighbours like Sri Lanka, Afghanistan, Nepal and others. Providing relief, rehabilitation and assistance in

reconstruction has helped to recognize India's capabilities in the larger context.

- As a responsible regional partner, India had been providing longstanding financial support to Afghanistan for restoring stability in the valley. Assistance was offered during various times to the country in times of conflict, the Covid pandemic and even in natural disasters.
- India carried out its largest disaster relief operation on foreign land – Operation Matri in 2015 during the Nepal earthquake. As post-reconstruction efforts, India also extended efforts in housing, education, health and cultural sectors. Under Operation Raahat and Operation Ajay, India assisted Nepalese nationals from war-torn Israel and Yemen in 2023 and 2015 respectively.
- India's role as a 'first responder' to Sri Lanka in the field of HADR is well recognised. It extended assistance of USD 4 billion to Sri Lanka in 2021, in line with India's 'Neighbourhood First' policy. In 2022, Indian extended US\$3.8 billion to Sri Lanka through credit lines, deferred loans and grants.

Agriculture

Under the framework of MoU's, several agreements have been signed between India and neighbouring countries of South Asia on agriculture and more particularly on areas of agricultural cooperation, promoting agricultural efficiency, increasing productivity, working on shared technology, research and development, market access and capacity building. Several LoCs have been extended to countries like Sri Lanka and Myanmar for agricultural development. Some of the agreements signed between

India and its neighbours on agricultural cooperation have been mentioned below:

- The Indian Council of Agricultural Research (ICAR) and Bangladesh Agriculture Research Council (BARC) through an MoU signed in 2023 had decided to cooperate in areas of technology transfer, human resource development, exchanging best practices and research collaboration. The green partnership is set to further expand with the globalization, trade reforms and opening up of borders.
- With Sri Lanka, an MoU on agriculture has been in existence since 2012 while collaboration has been extended to include priority in agricultural modernisation through use of technology, raising crop productivity and income for farmers.

Maritime Security

Maritime security is an important component of regional stability due to the presence of various conventional and non-conventional threats. Increasing efforts of militarising the region has also posed a threat to regional peace. Over the years, India has expanded cooperation with neighbouring countries of Bangladesh, Afghanistan and Sri Lanka on maritime security, ocean economy and maritime safety.

- India and Bangladesh have been involved in bilateral exercises in the area of maritime cooperation since 2014 spanning through areas like managing maritime boundaries, promotion of coastal trade and sustainable blue economy initiatives. The cooperation is renewed through regular bilateral visits from both sides from time to time.

- India is Sri Lanka's closest political neighbour and as such it is a regular practice for both countries to engage in joint exercises and maritime surveillance to deal with common challenges in Indian Ocean region. The collaboration of Indian and Sri Lankan navies in controlling problems of drug trafficking, promoting defence dialogues and exchanges, joint training and sharing of best practices has recently been augmented.
- India and Maldives have also shared a close relation when it comes to maritime affairs. Both countries have agreed to upgrade their relationship from a bilateral level to a Comprehensive Economic and Maritime Security Partnership to work towards the progress of stability particularly in the Indian Ocean region. In the past, both countries had decided to cooperate on areas like dealing with challenges in the maritime domain, and facilitate maritime connectivity.

Science and Technology:

India's regional engagements with neighbouring countries in the field of science and technology have been made to make positive contributions by leveraging the expertise that it has in this field. Technology diplomacy apart from helping to increase capacity and efficiency of partner countries also ensures maintenance of good relations even during a period of contention. Significant agreements have been signed with Sri Lanka, Bhutan, Bangladesh and Nepal.

- Under the Programme of Cooperation, India and Sri Lanka have entered into partnership for advancing joint action in various fields like food technology, renewable energy, waste management, ICT, sustainable agriculture, artificial intelligence and others.

- Multiple MoU's have been signed with Bhutan to further linkages in the field of science and technology which includes a Joint Plan of Action (JPoA) on Space Cooperation and a Memorandum of Understanding (MoU) on Peaceful Uses of Outer Space. India also collaborates with Bhutan on a number of technology initiatives for which India provides financial assistance.
- Bangladesh and Nepal have been working in collaboration on several sectors, especially science and technology since 1991. Apart from the 2022 MoU on S & T cooperation, five working programmes have already been successfully completed.
- The partnership on scientific collaboration between the Council of Scientific and Industrial Research (CSIR), India, and the Nepal Academy of Science and Technology (NAST) has been in existence since 1994 and most recently was renewed. This signals bolstering of joint action on capacity building programs, alternative energy, biological and material sciences and others.

STOP TO CONSIDER

- Under the NFP, various initiatives have been taken up in different sectors to advance cooperation and increase the prospects of regional prosperity and stability.
- India has completed the signing of many agreements on trade, agriculture, connectivity and maritime security with countries of Sri Lanka, Maldives, Bangladesh, Afghanistan, Myanmar and Nepal. The multisectoral engagement helps to consolidate India's efforts to construct the core of Indian foreign policy – the neighbourhood policy.

SELF-ASKING QUESTIONS

Q. Is security an important component of cooperation between India and its neighbours? Justify your argument.

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1.6 Challenges to this Policy:

Positive engagement of countries will help to realise the objectives of the NFP. Also, within mutual understanding and cooperation, countries can work on shared challenges and regional sustainability. However, a few factors stand as impediment in the way of realising the true potential of this policy. S.D. Muni pinpoints five problem areas when it comes to implementation of India's NFP. They are absence of balanced pragmatism, uneven distribution of power among countries, India's economic clout, rise of extra-regional powers and perspectives, diplomatic styles and personalities. Besides, there are other challenges like political bickering, terrorism, illegal immigration, ethnic instability and regime changes which hampers constructive efforts towards realising significant areas of policy implementation.

If we look at our neighbourhood closely, it is manifested with problems. Political tensions with Pakistan, Sri Lanka, Bangladesh, Afghanistan and Myanmar over territorial disputes, refugee influx, ethnic instability, Islamic radicalization, regime changes and overthrow of constitutional systems and instability as a result of these have caused a spillover on India, to which the Indian response is crucial as it has been relatively successful in managing conflicts in the region.

India can help restoring the order in these countries without interfering in the political affairs of countries and avoiding the ‘hegemonic big brother’ tag. By responsibly bringing forward the safety factor, India can help bring about a stable neighbourhood. Moreover, India can use the common civilisational, cultural and history linkages that can further advance the focus to building a deeper and meaningful region. At the same time, cooperative approach on security, shared norms, mutual trust and economic engagement will help India navigate through a difficult neighbourhood.

STOP TO CONSIDER

- The execution of India’s NFP is not without challenges. These problems are distinctive in their own way and as such demand special attention.
- India’s neighbourhood is manifested with problems like territorial disputes, refugee influx, ethnic instability, Islamic radicalization, regime changes and overthrow of constitutional systems.
- However, these challenges can be overpowered if countries develop an insightfully understanding approach based on cooperation, shared norms, economic equity and rule of law.

SELF-ASKING QUESTIONS

Q. Does complex political dynamics between India and neighbouring countries stand in the way of realizing India’s NFP?

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CHECK YOUR PROGRESS

1. What is India's Neighbourhood First Policy?
2. Evaluate the development of India's Neighbourhood Policy throughout the years since independence.
3. Illustrate the significant initiatives that have been taken by the Indian government to promote the policy of India's Neighbourhood First.
4. Discuss the challenges of India's Neighbourhood First Policy in fostering regional cooperation.
5. Do you think India's Neighbourhood First Policy is relevant to encourage regional growth and prosperity? Justify your answer with appropriate arguments.

1.7 Summing Up:

After reading this unit you have learnt that the end of the cold war and India's shift in foreign policy brought about a reinvigorating outlook towards India's neighbours, involving greater engagement and increasing assistance for their holistic development. For vigorous execution of the NFP, efforts must be from all sides. India alone cannot ensure the success of this policy. All stakeholders must be equally invested to create permanent collaboration. For this to happen, neighbouring countries must acknowledge that India is a reliable, efficient and relevant partner. This build of trust can reduce insecurity and the complexity of strategic balance among regional powers easy to comprehend. A strong connect needs to be established not only in trade, agriculture and other above-mentioned areas but also in security cooperation, border management, military diplomacy, public diplomacy and addressing common challenges. In fact, multilateral engagement is inevitable today if we need to address common problems, which may be non-conventional, the

consequences of which can be more devastating in nature. Firm partnerships and harmonious interactions in the foundational structure will help to focus on strengthening relations in the face of an ever-changing political landscape. At the same time, the role of India in emerging sectors is well recognised throughout the world and it will only benefit our neighbours from an association with a rising power whose reliability and policy of non-reciprocity are unquestionable.

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UNIT: 2
HISTORICAL BACKGROUND AND EVOLUTION
OF THE POLICY

Unit Structure:

- 2.1 Introduction
- 2.2 Objectives
- 2.3 Historical Background
- 2.4 Phases of Evolution
 - 2.4.1 Nehruvian Phase (1947-1962)
 - 2.4.2 Pragmatic Approach to Indian Foreign Policy (1962-1991)
 - 2.4.3 Post Cold War Era (1991-2014)
 - 2.4.4 Contemporary Phase (2014-till date)
- 2.5 Summing Up
- 2.6 References and Suggested Readings

2.1 Introduction:

“Almost every aspect of foreign as well as of domestic policy in India seems to be rooted in tradition and to have philosophical underpinnings”----- Normal Palmer (Palmer 1966, p.172).

No nation can survive and progress in isolation. It is mandatory to establish multi-lateral relationship in the epoch of globalization to secure one's national interest. The position, prosperity and power of any nation in the global politics are determined by the foreign policies of the respective nation. The foreign policy is the connecting cord amongst nations in a globalized world.

Surrounded by the Himalayan mountain ranges to the north, the Indian Ocean to the South, and the Hindu Kush and Arakan

mountains to the west and east, India occupies the largest area of the South Asian subcontinent. India's external affairs with its immediate neighbours are always guided by the philosophy that these countries are inseparable part of the South Asian subcontinent in general and Indian civilization in particular. The influence of both geography and civilization go hand in hand in determining India's foreign policy with its neighbourhoods.

The foreign policy of India traces its roots to the noble idea of *Vasudhaiva Kutumbakam* (the world is one family), evident since the ancient times when Ashoka and other great king sent their messenger far and wide for the propagation of Buddhism and Jainism, without resorting to armed invasion. More recently our foreign policy evolved rapidly during time of freedom struggle as an important component of the resolution of Indian National Congress. The Indian Prime Ministers over the years, from Jawaharlal Nehru to Narendra Modi- also believed that India's foreign policy was rooted in India's civilization and traditions and in India's struggle for freedom (Das 2013, p.2).

2.2 Objectives:

The unit is designed to help students to comprehend different dimensions associated with foreign policies of India. After reading the unit, you will be able to-

- *understand* historical background of India's foreign policy;
- *explain* changes and continuity in the trends of Indian foreign policy before independence till date;
- *comprehend* different phases of evolution in the foreign policy under different Prime Ministers in the country.

2.3 Historical Background:

Although sovereign democratic establishment was rooted in only seventy five years ago, India embodies a prolonged glory of 5000 old ancient civilizations.

Located at the intersection of the trade routes between South Asia, Central Asia and the Middle East, ancient Indian kingdoms and empires maintained cultural and economic relations with Mesopotamia, Greece, China, Egypt and Rome. The period witnessed expansion of Buddhism and Hinduism beyond Indian subcontinent. For example, the Sri Vijaya Empire in present day Cambodia, Thailand and Indonesia practiced Hinduism and Buddhism during the seventh century.

Before the advent of Western colonial powers, Indian empires asserted a civilizational sphere of influence from the Persian Gulf to South-East Asia. Geography also played a significant role in emphasizing and defining the importance of India's land and sea borders. Indian empires often incorporated neighboring territories in order to create buffer states to ensure security. Modern India has inherited both the belief in a civilizational sphere of influence and in the idea that geographic neighbours are critical to a state's security against invasion, irredentism and disintegration. The Indian subcontinent has been treated as 'one entity' by the framers of India's foreign policy. They considered neighbouring states of the country as crucial to India's security and India's immediate area of interest extends from the Middle East to South East Asia (Pande 2007, p. 19-20). Except the Chola dynasty (300 BC-1300 AD), Indian armies did not seek conquest of lands outside the subcontinent. Ancient Hindu treatises on statecraft and religion recommended isolation from other civilizations. Kings could conquer territory from neighbouring kings within India but annexing other cultures or peoples was deemed unethical (Pande 2007, p.6).

The strategies for foreign policy during ancient India can be divided into two schools of thought-firstly, *realism* and secondly, *idealism*. The origin of Indian realism has been rooted in ancient treatises like the Arthasastras, Dharmasastras and Nitisastras and together they have been categorized as ‘positivistic Kautilyan Theory’ (Murty 1964, p.4-10). The theory in particular and ancient Indian realism in general was confined to Indian subcontinent only.

Two segments can be witnessed within the school of idealism-*Arthasastrianism* and the *Dharmasastrianism* (Ibid). The exponents of *Arthasastrianism* favoured artifice, infiltration, subversion, propaganda and economic pressure in preference to war. In contrast, Dharmasastrians uphold heroic war for just ends, win or die (Ibid). Similarly, the ancient Indian idealism was shaped by two trends-Buddhism and Jain-Hindu Pacifism. The exponents of Buddhism cherished the idea of transforming the entire world into dharma (cosmic order) by peaceful means. In contrast, Jain-Hindu Pacifists advocated ahimsa (non-violence) without eliminating the use of force (Ibid).

Thus, the roots of Non-Alignment Movement (NAM) can be traced to ancient diplomatic tradition which was a blend of isolationism and involvement. Nehru’s claimed regarding the origin of the NAM back to the time of Ashoka and earlier (Jawaharlal Nehru’s Speeches 1957-63), hence, has strong historical reference point.

STOP TO CONSIDER

Arthasastra means treatise on economics and politics; Dharmasastra treatise on dharma or moral code of conduct; Nitisastras were treatises on morality. The most well-known of the Arthasastrians was Kautilya and similarly the most well-known Dharmasastrian was Manu.

The consideration of 'immediate neighbours' and 'neighbour's neighbour' as 'natural enemy' and 'natural friend' respectively in Manadala Theory, Kautilya left an undeniable influence in formulating modern Indian strategic thought. The British had, in some ways, operationalized Kautilya's mandalas even if British officers were unfamiliar with the Arthashastra (Pande 2007, p.38). Like British policy makers, modern Indian strategists have constantly spoken of India's abiding strategic interest-economic and defence- in the Gulf and the Middle East. In 1944 Hriday Nath Kunzru, a member of the Indian National Congress (INC), wrote that India's importance to the global community lay in her geostrategic location and large military and economic resources (Kunzru 1944, p.6).

2.4 Phases of Evolution:

In spite of changes in ruling establishments from time to time, India's external relations have shown exceptional continuity and consistency (with some variations) since independence.

The stages of evolution of India's foreign policy is not a linear process. It has passed through various phases in the course of history. Every successive phase is built on the experience of the preceding phase and required adaptation to the changing dynamics of international politics. The historical evolution of Indian Foreign Policy can be discussed through following phases:

2.4.1 Nehruvian Phase (1947-1962):

Being the 'founding architect' of India's external affairs (Dixit 2003, p.58), Pt. Jawaharlal Nehru's ideas serve as the major point of reference in modern India's world view. Being the father of India's

foreign policy, Pt. Nehru's worldviews were shaped by personal, national and systematic factors and were responsible every time any of Nehru's successors changed or adopted his policies (Ganguly 2010). Nehru wanted to create a bridge between the nation's historical legacy and future geopolitical ambitions.

Nehruvianism can be analyzed through two broad principles- order and strategy. The desire for order led Nehru to pursue friendship towards all states; champion anti-colonialism, anti-racialism and anti-imperialism; seek economic self-sufficiency; and oppose military alliances, arms build-up and nuclear weapons. Moreover, the desire for strategy led Nehru to formulate NAM as a 'calculated response to the prevalent international situation' (Devdutt 1962, p.380).

During seventeen years of Prime Ministerial career, Nehru used to write letters to each Chief Ministers of each of India's states in order to narrate key domestic policies and every foreign visit undertaken by Nehru in particular and his cabinet ministers in general. He is the only Indian Prime Minister to date who discussed foreign policy issues in speeches across the country (Dixit 2004, p.55). This constant effort has been referred as a part of nation building process with an attempt to enlighten the second tier of Indian leaders.

The NAM is not the mere brainchild of Nehru; rather Liebig referred it as the revival of Kautilya's realism in the modern era. Apart from reading *Arthashastra* and mentioning it in numerous instances, Nehru even wrote an article under the pseudonym 'Chanakya' (Liebig 2013).

The foreign department of the Congress was inaugurated in 1936 under the leadership of J.Nehru and a separate Indian Overseas Department was further set up in 1940. Under his initiative, the INC extended its help towards freedom struggles in other colonies and

countries which resulted in building ties with the Wafd Party in Egypt, the Kuomintang in China and with parties in Indonesia and other countries of the Middle East and South East Asia (Pande 2007, p.42). Nehru championed the Asian Relations Conference before independence on 23rd March 1947 held in Delhi. The bulk of attendees constituted those nations which were still under colonial rule. In addition to that, a number of regional conferences, such as, the Afro-Asian Conference or Bandung Conference were being hoisted by Nehru (Fontera 1960, p.421).

India opposed fascism and Nazism during the World War II. Nehru raised his voice vehemently against Japan's aggression on Manchuria as well as Italy's inhuman treatment on Abyssinia. As foreign secretary of the Congress Party, Nehru visited Spain, Czechoslovakia, Russia and even Chungking China (Das 1942, p.480). In 1927, Nehru represented the INC at the league against imperialism in Palais D'Egmont at Brussels.

India under Nehru also sought to prevent neighbours like Nepal, Bhutan and Sri Lanka from joining military alliances with either cold war bloc and was particularly irked by Pakistan's participation in western military alliances, because he was fully aware of the asymmetry in size between India and its immediate neighbours (Dixit 2003, p.69). He sought to reassure these smaller neighbours by attempting to build ties on the basis of Panchasheel or principles of equality, non-interference and respect for territorial integrity. The attitude of peace and coexistence was reflected in the treaty signed by India and China on the issue of Tibbet on May 29, 1954 which was based on Panchasheel (Das 2013, p.5), these five principles are:

- i) Mutual respect for each other's territorial integrity and sovereignty.
- ii) Non-aggression

- iii) Non-interference in each other's international affairs
- iv) Equality and mutual benefit
- v) Peaceful coexistence

Most analysts agree Nehru's greatest legacy is the underlying framework of ideas and institutions that have governed India's external relations since 1947. Just as he received praise for laying foundations, Nehru has also been criticized for being overly idealistic and for crafting a foreign policy with a strong moralistic tone (Pande 2007, p.56). Dixit and other analysts believe that Nehru's policies were reasonably successful until the Indo-China war of 1962. Nehru's biographer Gopal described Nehru's assessment of China's attitude to India as 'naïve' and said that there was much idealism in his China policy (Gopal 1975, p.106). Under his successors, India came to be seen as a nation that judged and preached to others instead of accepting the dynamic of conflicting national interests that shapes international relations. In spite of the criticisms, no one can deny that Nehruvianism is still the bedrock of Indian foreign policy while every country needs to adjust to changing environment.

SELF-ASKING QUESTION

Q. "Pt. Jawaharlal Nehru is known as the founding architect of India's external affairs." Justify the statement.

.....

2.4.2 Pragmatic Approach to Indian Foreign Policy (1962-1991):

India's foreign policy has shifted towards greater promotion and realism in post 1962 period, as the year 1962 marks a watershed in

the development of India's foreign policy due to the outbreak of Indo-China war. Nehru's approach of an idealistic foreign policy came under severe criticism and his 1954 decision to accept China's sovereignty over Tibet was widely termed as the biggest blunder in the Sino-Indian relationship. However, this defeat in 1962 war proved blessings in disguise for the military modernization and the infrastructural building in the border areas (Das 2013, p.5).

Nehru's immediate successor as Prime Minister, Lal Bahadur Shastri, remained in office rather briefly from 1964 to 1966. India's second war with Pakistan, in 1965, was the key event during Shastri's tenure. As a former colleague of Nehru, Shastri did not alter Nehru's policies during his short tenure (Pande 2007, p.66).

India's foreign policy evolved significantly when Nehru's daughter, Indira Gandhi became Prime Minister in 1966, two years after her father's death. She served in the job from 1966 to 1977 and then again from 1980 until her assassination in 1984. The trends of continuity and change in Indian foreign policy have been witnessed during her period. While Asia and the world had been Nehru's focus, South Asian region became major focal point for Indira Gandhi. Nehru's policies were shaped by his knowledge of history and sympathy towards socialism, whereas Indira did not have any ideological predispositions. Both pursued what they deemed to be India's national interest but their approach to the world was markedly different. Nehru's world view had a moralistic tinge because of the influence of Mahatma Gandhi and the strongly moral national struggle. Indira, on the other hand, one spoke the language of real politik and where she used moral slogans it was in her search for power and desire to boost India's status in the world. While Nehru saw colonialism as the major threat facing the world, Indira saw neocolonialism as the new threat that India had to stand up against (Pande 2007, p.67-70). The firm belief that India's security

would be negatively impacted unless its smaller neighbours followed pro-Indian foreign policies led Indira Gandhi government to actions during the East Pakistan crisis leading to India's military victory in 1971 against Pakistan (Dixit 2003, p.145). A key part of building India's military strength and security was the nuclear dimension. It was under Indira that India undertook its first nuclear test in 1974 and despite condemnation and threat of sanctions Indira continued with India's nuclear weapon programme. She saw it as a natural course for India as both its adversarial neighbours, China and Pakistan, were also building their nuclear weapon programmes (Pande 2007, p.68).

The assassination of Indira Gandhi in October 1984 resulted in the passing of the leadership mantle to Rajiv Gandhi. The third Prime Minister from the Nehru-Gandhi family left his own mark on India's external relations at a time when the cold war was in its last stages. As Prime Minister, Rajiv's views on foreign policy reflected Nehru's idealistic and moralistic streak combined with a streak of pragmatism inherited from Indira (Pande 2007, p.71-72). Srinath Raghavan argued that Rajiv Gandhi 'recognized the importance of foreign policy in furthering his domestic objectives' (Raghavan, 1989, p.119) In order to create a balance between tradition and modernity, Rajiv Gandhi viewed India as 'an old country but a young nation' (Healy 1984, p.6). Rajiv's pragmatism was reflected in his desire to improve relations with Pakistan and China. He made a visit to Pakistan in 1989 in order to attend SAARC summit in Islamabad. In his inaugural address at the summit, Rajiv emphasized the importance of the geographical, historical, religio-cultural and ethno linguistic ties that bound the various South Asian countries. This visit concluded an agreement with the then Pakistan Prime Minister Benazir Bhutto on confidence building measures between India and Pakistan (Pande 2007,p.73). Moreover, he was the first

Prime Minister after Nehru to visit China, leading the first high-level delegation since the 1962 Sino-Indian war. He laid down the policy that has allowed both India and China to deepen economic relations even though their border dispute remains unresolved (Ibid, p.75).

Sri Lanka was the other neighbouring South Asian country with which Rajiv attempted to alter relations. In 1983, a civil war was broke out in northern Sri Lanka as Tamil hardliners pushed for independence after Singhalese attacks on Tamils. When the Sri Lankan government blockaded the Jaffna peninsula, Rajiv Gandhi government sent the Indian Air Force to drop vital supplies for the Tamil population. As civil war intensified, Rajiv agreed to send Indian troops for peacekeeping after the 1987 Indo-Lanka accord that resulted in ceasefire between the Tamil guerillas and the Sri Lankan military, but the Indian Peacekeeping Force (IPKF) had to be withdrawn in 1990 after it came down under attack from both Tamil and Sinhalese extremists (Ibid, p. 74). Apart from South Asian neighbours, he started the process of repairing and rebuilding India-USA relations both on the economic front as well as in foreign affairs. During his forty-eight foreign trips within five years as Prime Minister, he wanted to 'embrace high technology, particularly information technology in order to transform the Indian economy and society' (Raghavan 1984, p. 117-129). Unlike Nehru and Indira, Rajiv Gandhi trusted the market and did not see the state as the sole and key actor in the economic arena.

The failure of Congress to secure a majority in Parliament during the 1989 election led to the formation of United Front (UF) government under the Prime Ministership of V.P. Singh (December 1989-November 1990). During Singh's tenure, the government's weak grip allowed little room for major foreign policy initiatives. Singh's foreign minister I.K. Gujral saw himself as reviving Nehru's

idealism albeit with a vengeance (Pande 2007, p.80). He is known for his famous 'Gujral Doctrine'.

STOP TO CONSIDER

The 'Gujral Doctrine' - is expression of the foreign policy initiated by Inder Kumar Gujral, the Foreign Minister in Deve Gowda Government which assumed office in June 1996. Gujral himself later became Prime Minister. The Gujral Doctrine is a set of five principles to guide the conduct of foreign relations with India's immediate neighbours as spelt out by I.K. Gujral, first as India's External Affairs Minister and later as the Prime Minister (Das 2013, p.9).

These principles are:

1. With neighbours like Bangladesh, Bhutan, Maldives, Nepal and Sri Lanka, India does not ask for reciprocity, but gives and accommodates what it can in good faith and trust.
2. No South Asian country should allow its territory to be used against the interest of another country of the region.
3. No country should interfere in the internal affairs of another.
4. All South Asian countries must respect each other's territorial integrity and sovereignty.
5. They should settle all their disputes through peaceful bilateral negotiations.

Essence of Gujral Doctrine: The essence of Gujral Doctrine is that being the largest country in South Asia, India decided on 'extension of unilateral concessions to neighbours in the sub-continent' (Ibid).

Genesis of the Doctrine: Among other factors, these five principles arise from the belief that India's stature and strength cannot be divorced from the quality of its relations with its neighbours (Ibid).

V.P. Singh's short-lived government was followed by one for eight months headed by Prime Minister Chandra Shekhar (November 1990-June 1991). Presiding over a weak coalition government, he still managed to make major decisions. One such major decision was to allow refueling facility to US aircraft during the Gulf war (Pande 2007, p.82).

2.4.3 Post Cold War Era (1991-2010):

The 1991 election catapulted the Congress Party to power and P.V. Narasimha Rao became India's next Prime Minister. Rao was a consummate insider who had served as minister for external affairs under both Indira and Rajiv Gandhi (Pande 2007,p.82). Dixit refers to Rao 'as one of the most effective and creative influences' on Indian Foreign Policy (Dixit, p.225). Rao became the Prime Minister at a critical juncture of domestic and international politics. The trauma of assassination of Rajiv Gandhi in domestic politics on one hand and far-reaching changes in the global order marked by the end of the cold war, breakdown of Berlin wall and disintegration of Soviet Union on the other hand.

Economic reforms constituted a key component of Rao's strategy. Realizing the importance of economic reforms, Rao provided the political support for his finance minister, Manmohan Singh, to implement a series of market friendly restructurings that helped India move away from its mixed socialistic economy towards a liberal free market (Pande 2007, p.83). With the de-regularization of Indian market in the context of Liberalization, Privatization and Globalization (LPG), both the foreign and economic policies underwent 'mixed' approach of socialism and capitalism in one hand and the blend of western ideals (e.g., democracy, individual liberty, human rights, rule of law, secularism, pluralism, etc.) and

Asia centrism (e.g., anti—colonialism, anti-apartheids etc.) on the other hand. This trend of ‘mixed approach’ is an influence of ‘middle path’ doctrine of Buddhism.

Another major initiative during Rao government was its ‘Look East Policy,’ an acknowledgement of the economic success of Japan, Korea and other East Asian countries. In addition to enhancing relations with burgeoning economic powers of East Asia, Rao’s government also boosted India’s ties with the Arab countries of the Gulf. Rao sought to secure energy supplies from the Gulf region, given the increasing energy needs of India’s growing economy (Pande 2007, p.84).

After three years of three unstable coalition governments (1996-1999), Atal Bihari Vajpayee won a full five year term as prime minister at the head of the National Democratic Alliance (NDA). Vajpayee had been external affairs minister in the 1977-79 Janta Party government. After taking charge of the Ministry of External Affairs in 1977, Atal Bihari Vajpayee gave a speech entitled ‘Continuity and Change in India’s Foreign Policy.’ In the speech, he asserted that the main purpose of India’s foreign policy was- ‘to promote harmony, trust and a cooperative spirit among nations.’ He asserted that India’s ‘concept of security is not militaristic’ but rather the desire to ‘create around us an environment of peace, trust and stability which would permit optimum utilization of our natural and manpower resources for economic, social and cultural advancement’ (Prasad 1979, p. 1-8). His foreign policy was aimed at improving ties the United States, build on India’s Look East Policy and push for building India’s military and economic resources. India tested its nuclear weapon for the second time under Vajpayee regime in 1998. The fourth India-Pakistan war, i.e., the Kargil Conflict was considered crucial in India’s foreign policy during this period.

After NDA government, another coalition government in the form of United Progressive Alliance led by Congress came to power for 2004 to 2014 under the Prime Ministership of Dr. Manmohan Singh. Being the ‘architect of India’s economic liberalization’ Dr Singh considered the ‘single most important objective’ of Indian foreign policy was to ‘create a global environment conducive to her economic development and the well-being of the people of India’ (Baru 2014, p. 165). One major step during that period was the conclusion of the US-India civil nuclear deal, negotiations over which were started in the Vajpayee years and concluded in 2005. The deal separated India’s civil and military nuclear programmes, allowed purchase of nuclear material under IAEA safeguards by India for civilian purposes and opened the possibility of India’s membership of the Nuclear Suppliers Group (NSG) without signing the Non-Proliferation Treaty (NPT) (Pande 2007,p.88).

The foreign policy welcomes new beliefs in the form of an extension to the old tradition under Dr. Singh regime. This statement is suitable in context of a policy entitled ‘NAM 2.0: A Foreign and Strategic Policy for India in the 20th Century’ launched in 2012 in order uphold strategic autonomy for the country. The report insisted on describing India’s new post-cold war paradigm as a continuum of non-alignment during the cold war.

CHECK YOUR PROGRESS

1. What do you mean by ‘Panchasheel’? Explain in brief.
2. Who wrote ‘Arthashastra’?
3. “Nehru wrote his own criticism under the pseudonym Chanakya”. True or false?
4. What is the ‘Operation Smiling Buddha’?
5. Write the full form and foundation year of SAARC?
6. Make a short note on ‘Act East Policy’.

7. When did India sign civil nuclear deal with the USA?
8. Who was India's Finance Minister during the time of economic liberalization in 1991?
9. Name the present Minister of External Affairs of India.

2.4.4 Contemporary Phase (2014-till date):

The 2014 election brought the BJP to office after ten years in opposition, with Narendra Modi as Prime Minister. In recent years, Narendra Modi reflects a passion resembling Nehru in his zealous focus on foreign policy. In May 2014, he invited all South Asian heads of government to his inauguration (Pande 2007, p.17). In his first two years in office, Modi emphasized his regional focus by travelling to a number of India's immediate neighbours including Afghanistan, Bhutan, Nepal, Mauritius, Myanmar, Sri Lanka and Bangladesh. A land border agreement was also signed between India and Bangladesh during his visit to Dhaka (Ibid). Moreover, India, Nepal, Bhutan and Bangladesh signed a Motor Vehicles Agreement in June 2015 for the regulation of passenger, personnel and cargo vehicular traffic (The Economic Times, 2015).

Modi is in charge of his foreign policy and seems to understand the intrinsic link between economic growth and projection of power abroad. For example, he championed the International Yoga Day at the United Nations, taking pride in yoga's Indian origins and universal popularity. During his visit to the Central Asian countries in July 2015, Modi spoke of the ancient relationships based on India's Islamic heritage. He tried to make a bridge between India and Central Asia through connecting the linkages of religion, culture, Buddhism, yoga, Sufi music and Hindi language (Pande 2007, p.168).

Although Modi made a visit to Lahore in December 2015, yet the Pakistan based terrorist activities at Pathankot and Uri in 2016 have ended this amiability. The incidents further compelled India to boycott SAARC summit which was scheduled to be held in Islamabad in 2016. With strong resistance to terrorism, Afghanistan, Bangladesh and Bhutan too boycotted the summit resulted cancellation of the summit at all. In order to retaliate, a 'surgical strike' at terrorist camps across the Line of Control (LoC) in Pakistan-occupied Kashmir (PoK) was conducted by Indian Special forces (Pande 2007, p.90).

Over the years Modi has expended a lot of time and political capital on travelling around the world, wooing world leaders and global corporate executives, hoping to boost India's stature and also to strengthen its economy and military (Ibid, p.65). The 'Make in India' initiative of the Modi Government carries forward the legacy of building an Indian defence capacity. The initiative expects that foreign firms will be willing to share their technology in return for access to the Indian market. It is an attempt to balance the desire for economic self-sufficiency with the aspiration of building a world-class economy.

On the first stand alone bilateral tour to Sri Lanka since 1987 by an Indian prime minister, Modi pushed for reducing non-tariff barriers, encouraging economic cooperation, promised to address Colombo's concerns about trade, offered US \$315 million in a line of credit to upgrade Sri Lankan rail infrastructure and promised to help the port of Trincomalee to become a petroleum hub (Ibid, p.162). Modi also sought to reassure Sri Lanka over New Delhi's policy on the Tamil issue (The Times of India, 2015).

Modi visited Nepal twice in the space of six months-August 2014 and November 2014. He spoke of the old civilizational relationship between India and Nepal, referring to them 'as old as the Himalayas

and the Ganga' on his first visit (Press Trust of India, 2014). Further, \$1 billion line of credit was offered for building Nepalese infrastructure and hydropower on his second visit. Regular bus services between the two countries are now envisaged in addition to creating ease of travel for private vehicles across the border, promoting trade, tourism and regional connectivity (The Times of India, 2014).

On Modi's first trip to Bangladesh in June 2015, the two countries resolved their boundary dispute by signing the Land Boundary Agreement (LBA) that had been negotiated for four decades. India offered Bangladesh \$2 billion in line of credit and the two countries agreed to set up special economic zones (SEZs) (Press Trust of India, 2015). India's relations with Afghanistan have also deepened under the initiative of Modi. The new building of the Afghan Parliament in Kabul was inaugurated by PM Modi in December 2015.

The economic partnerships and investments by both international and Indian business to collaborate in expanding manufacturing in India are declared goals of Modi's foreign economic policy. He is always keen to use the advantage overseas Indians bring to their ancient homeland. On his first visit to USA in September 2014, Modi promised overseas Indians ease of travel and promised an end to bureaucratic red tape and sought investment by this diaspora in India's future economic growth (Press Trust of India, 2015). The second visit to the USA in September 2015 has further considered as an attempt to seek help from Silicon Valley technology industry, dominated by the Indian diaspora, for his 'Digital India Initiative' (The Hindu, 2015). On his remarkable trip to the United Arab Emirates (UAE), Modi offered the Indian diaspora ease of visa and travel and sought investment and tourism in return (The Indian Express, 2015). For its part, the UAE government showed its

interest in the welfare of Indians there by announcing the construction of a Hindu temple in Abu Dhabi, the first in the Gulf region (Pande 2007, p.170).

During his Pacific Islands trip in November 2014, Modi announced the setting up of a \$1 million fund and visa on arrival facility for Indians settled in Fiji and other islands (Press Trust of India, 2014). The second forum of India-Pacific Islands Cooperation (FIPIC) held in Jaipur on 22 August 2015, Modi pitched for stronger cooperation with the fourteen islands by offering to set up an Institute for Sustainable Coastal and Ocean Research, provide naval support for coastal surveillance and hydrographic surveys as well as set up Space Technology Application Centres in these island nations (The Mint, 2015).

Modi's foreign policy has been designed to suit strategic importance of China and Japan in Indian foreign policy. Emphasizing the 'ancient spiritual and cultural links' shared by both India and China, Modi sought investment in India's infrastructure plans in different sectors, such as, railways, highways, port building etc (Press Trust of India, 2015). Similarly, on his maiden trip to Japan in September 2014, Modi wooed Japanese investment by remarking that he had converted Indian red tape into a red carpet while the two countries upgraded their ties to a special strategic global partnership. Tokyo promised to invest US \$35 billion in India over the next five years and talks are ongoing about a civil nuclear deal between the two leading Asian nations (The Economic Times, 2014). On Shinzo Abe's return visit to India in December 2015, agreements were signed to finalize Japanese companies building India's first bullet train connecting the industrial hubs of Mumbai and Ahmedabad (Pande 2007, p.171).

2.5 Summing Up:

The Indian desire to pursue modernity as well as exercise influence in the contemporary world is entangled with a world view shaped by India's rich history and a decision making process heavily influenced by tradition. The Indian sense of self and of the world, as well as the architecture of Indian institution, has been profoundly influenced by the experiences of the colonial and post independence era (Pande 2007, p. 3).

From the above analysis, it can be stated that India's foreign policy is a policy 'inherent in the circumstances of India, inherent in the past thinking of India, inherent in the whole mental outlook of India, inherent in the condition of the Indian mind during the freedom struggle and inherent in the circumstances of the world today'(Nehru 1961, p.47). Many of India's post-independence initiatives, including non-alignment, the Panchasheel (five principles of coexistence) and the opposition to multilateral military alliances can be traced to the deliberations of the INC during the independence struggle.

We have seen that almost all Indian Prime Ministers have sought to leave their mark in the arena of foreign policy. Some of them were powerful enough to craft and implement the policies they wanted; others had to learn how to take the system along with them. For twenty-nine of India's seventy years of independence, Indian Prime Ministers have also held the portfolio of external affairs. The Indian practice of the prime minister playing a more direct role in making and executing foreign policy made India's foreign ministers less important than in most parliamentary democracies. In addition to the Prime Minister's Office (PMO), several other key institutions and offices, such as, the Ministry of External Affairs, the National Security Council, and the Cabinet Committee on Security etc. are also engaged in Indian foreign policy.

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UNIT: 3

MAJOR DETERMINANTS OF INDIA'S NEIGHBOURHOOD FIRST POLICY

Unit Structure:

3.1 Introduction

3.2 Objectives

3.3 Nature and Type of Determinants

3.4 Major Determinants

3.4.1 Geographical Factors

3.4.2 Economic Factors

3.4.3 Historical and Cultural Factors

3.4.4 Domestic Factors

3.4.5 Personal Charisma

3.4.6 Ideological Influence

3.4.7 India's Neighbourhood Aid Policy

3.5 Summing Up

3.6 References and Suggested Readings

3.1 Introduction

India's neighborhood first policy is a cornerstone of its foreign policy. As the largest and most influential power in the region, India has sought to foster stability, economic cooperation, and strategic partnerships with its neighbors. The principle of "Neighborhood First," prioritizes regional engagement through diplomatic, economic, and security initiatives. The Neighbourhood First policy

actually aims at enhancing physical, digital as well as people to people connectivity across the region and also to accelerate trade and commerce.

India is geographically surrounded by a grouping of nations: Afghanistan, Bangladesh, Bhutan, China, the Maldives, Myanmar, Nepal, Pakistan, and Sri Lanka. Notably, most of these neighbouring countries fall within the South Asian region, except China. India is working harder to strengthen its ties with its neighbours due to growing Chinese influence in South Asia. India's policies towards its neighbouring nations have exhibited a lack of consistency ever since the country gained independence.

While talking about the neighbourhood policy, for a country like India, the central burden of diplomacy is about dealing with neighbours. Even for a great power—whether the power may be an established or emerging power—the real challenge lies in sustaining and expanding influence within its immediate neighbourhood. A core aspect of great power status is the ability to prevent other major powers from creating instability in one's region, while simultaneously projecting influence beyond it. Without maintaining enduring primacy in its own neighbourhood, no nation can claim credible status on the global stage.

This fundamental strategic truth has not always guided India's foreign policy thinking. Since independence, India's diplomatic efforts have often been disproportionately focused on global visibility and leadership, sometimes at the expense of consistent regional engagement. While India frequently champions principles such as equality and mutual respect on the global stage, it has at

times struggled to apply these same values in its dealings with its neighbours.

The Neighbourhood First Policy, however, marks a shift in this approach. It reflects a recognition in New Delhi that India's rise as a global power depends on cultivating stable, cooperative, and respectful relations with its immediate neighbours. The policy aims to prioritise regional partnerships through economic integration, infrastructure development, people-to-people ties, and diplomatic engagement—anchoring India's aspirations in a secure and influential regional base. (Mohan, 2007)

3.2 Objectives

After going through this unit you will be able to—

- *analyze* how geographical, historical, and political factors shape India's relations with its neighboring countries;
- *study* the role of historical, cultural, and ethnic linkages in shaping bilateral and multilateral relations;
- *assess* India's participation in organizations like SAARC, BIMSTEC, and ASEAN and their impact on regional diplomacy.

3.3 Nature and Types of Determinants

The determinants of India's neighbourhood policy are shaped by an interplay of geographical, historical, political, economic, and strategic factors. India shares borders with several countries, as it is

a geographically vast and diverse nation, making regional stability a key priority. It can be said that issues like historical ties, including colonial legacies and cultural affinities, influence bilateral relations, while political ideologies and governance structures often shape diplomatic engagements. Economic considerations, such as trade routes, energy security, and investment opportunities, also play a crucial role in India's approach towards its neighbours.

India has entered into MoU (Memorandum of Understanding) with members of the South Asian Association for Regional Cooperation (SAARC) for ensuring a better connectivity with the neighbouring countries. These agreements and MoU s are basically foren reaching a free flow of resources, energy, goods, labour, and information across borders. India also tries to develop Economic Cooperation among its neighbours by focusing on enhancement of trade ties with its neighbouring countries. India has participated and invested in SAARC as a vehicle for development in the region. One such example is the Bangladesh-Bhutan-India-Nepal (BBIN) grouping for energy development i.e. motor vehicles, water management and inter-grid connectivity. India will be giving political and diplomatic priorities to her immediate neighbours and Indian Ocean Island states, India will provide all essential requirements of her immediate neighbours as needed by them, to promote greater connectivity and integration in the Indian subcontinent to ensure a free flow of goods and services, people, capitaletc, and to establish an India-led regionalism in the neighbourhood (Pant, 2018)

India's neighbourhood policy has revolved around national security issues and economic development encouraged by its historical strategic culture and furthered by desire to become a global power. The country's geopolitical and geostrategic location has also prompted New Delhi to pursue unique relations with neighbours.

Panchsheel has been one of the major principles of India's neighbourhood policy . It was extended by Indira Gandhi and popularly came to be known as India's "Monroe Doctrine". It defined India's place in the region and the world. Indira Gandhi believed that India's vicinity was its exclusive zone of supremacy and dominance and no foreign power would be allowed to interfere .India also made important breakthroughs in the late twentieth and early twenty-first centuries during the administrations of Rajiv Gandhi, P.V. Narasimha Rao and later Manmohan Singh. It adopted a Look East policy as well as liberal policies in trade and commerce and opened up its economy. (Sahoo, 2016)

STOP TO CONSIDER

The formulation of India's neighbourhood policy is influenced by a complex interplay of geographical, historical, political, economic, and strategic factors. Given its vast and diverse geographical landscape, India shares borders with several countries, making regional stability a primary concern. Historical linkages, including shared colonial pasts and cultural connections, significantly impact bilateral relations, while differences in political ideologies and governance structures often shape the nature of diplomatic interactions. Additionally, economic factors such as trade

connectivity, energy security, and investment prospects play a critical role in defining India's approach towards its neighbouring countries. Ensuring peaceful and cooperative relations in the region remains essential for fostering mutual growth and stability.

3.4 Major Determinants

3.4.1 Geographical Factors

Geographical elements encompass a country's terrain, dimensions, geological features, natural resources, and its broader geopolitical surroundings. In this regard, India stands as a considerably vast nation, ranking as the seventh-largest in terms of land area and occupying a prominent position in the southernmost part of Asia. With a diverse range of landforms, climatic conditions, water bodies, and rich biodiversity, India enjoys significant natural advantages that enhance its global influence. The presence of natural frontiers on multiple sides acts as a formidable defense against external threats. Additionally, India's strategic position is further reinforced by its extensive coastline, which stretches along its eastern, western, and southern boundaries.

Geographically, the neighboring countries are first point of diplomacy and key to growth for a country like India. India tries to ensure growth and development in terms of its economic, social and geo political issues by maintaining a friendly relationship with its neighbouring countries. Regarding India's central position in South Asia cooperation and coordination from the neighbours in the Indian Ocean Region (IOR) that has played a very crucial role in the global

strategic competition. India's cooperation with its neighbours is very much necessary for maintaining its leadership as well as representation at Global level. India's geographical location is also very crucial to its energy security. For example it can be mentioned that Nepal which is situated towards the Northern side of India as well as Bhutan are very important neighbours for India regarding its hydro-power potential.

The geographical location of the North-eastern part of India is also strategically very crucial for the development of the economic status of the country. For example reference can be made to the country like Bangladesh which shares boundary with India. Bangladesh's Chittogram Port allows for transit and trans-shipment of goods and also allows regular movement as it ensures better relationship and partnership between India and Bangladesh. Besides this it can also be mentioned here that India's deep-rooted cultural and historical connections with its neighboring countries play a vital role in enhancing its soft power and promoting its diverse traditions across the region. For example, the shared Buddhist heritage between India and Southeast Asia serves as a bridge for fostering stronger people-to-people interactions and diplomatic engagement.

India's long coastline and maritime connectivity in the Indian Ocean region play a crucial role in securing trade routes, ensuring energy security, and strengthening naval cooperation with maritime neighbors. Furthermore, geographical proximity compels India to prioritize regional stability, disaster management, and connectivity, as disturbances in one country can have spillover effects on others. Hence, geographical factors play a central role in shaping India's

neighborhood policy, aiming to promote peace, development, and cooperation while safeguarding its strategic interests.

India shares its international borders with seven countries. Below is a list of these countries along with the approximate length of the borders India shares with each:

Country	Length of Border (in km)	Direction/Region
Bangladesh	4,096.7 km	East
China	3,488 km	North & Northeast (Ladakh, Himachal Pradesh, Uttarakhand, Sikkim, Arunachal Pradesh)
Pakistan	3,323 km	West (Jammu & Kashmir, Punjab, Rajasthan, Gujarat)
Nepal	1,751 km	North (Uttarakhand, Uttar Pradesh, Bihar, West Bengal, Sikkim)
Myanmar	1,643 km	East (Arunachal Pradesh, Nagaland, Manipur, Mizoram)

3.4.2 Economic Factors

The dynamism of India's economy since the early 1990s has provided various new opportunities for India's engagement with other powers and of its extended neighbourhood. But it must be mentioned that India has neither the generosity of spirit nor an acute sense of self-interest to facilitate a rapid readjustment of its regional trade policies. Besides this it can be said that India in contrast has

persisted with a protectionist policy that has been reluctant to open its market to its neighbours. (Mohan, 2007)

While analyzing the economic factors it can be noticed that in Asia, too, many countries are endeavoring to come together. For example Pakistan, Iran, and Turkey are trying to work out an economic policy for their mutual benefit and so are Malaysia, Thailand and the Philippines. India is perhaps the only country which has given little thought to this vital problem, even though she is best suited to pro-mote a strategy of friendly co-operation with her neighbours. But strangely India is attempting to evolve a common economic policy with Egypt and Yugoslavia following a meeting of the heads of the three States in New Delhi in November 1966. Except that these countries have a common declared objective of non-alignment there is little in common between them to make it possible to evolve a trade policy calculated to promote their mutual interests. (Parikh, 1967)

Besides this, it can be stated that India's "Neighbourhood First" policy, a cornerstone of its foreign strategy, emphasizes fostering robust economic and diplomatic ties with neighboring countries. The recent developments highlight both the progress and challenges in this approach. India has significantly increased its financial assistance to neighboring countries.

For example with countries like Bangladesh, Nepal, Sri-Lanka, Maldives India has extended many financial assistance for accelerating the relationship. These investments aim to enhance connectivity through over 100 projects, including roads, railways,

ports, and energy grids, fostering regional interdependence and countering external influences.

In the Indian context, it can be clearly seen how the connection between foreign policy and economic policy was recognized early on by Jawaharlal Nehru, the chief architect of India's post-independence approach to international relations. When addressing the Constituent Assembly, Nehru emphasized that foreign policy ultimately stems from economic policy. Until India fully develops a coherent economic strategy, he argued, its foreign policy would remain vague, uncertain, and exploratory.

It may sound reassuring to declare that you stand for peace and freedom—but as Nehru pointed out, these are sentiments that any country can express, whether sincerely or not. The real question is: what do you actually stand for? To answer that, you must begin by articulating your position in economic terms. Engaging meaningfully with foreign policy requires you to understand its economic, political, and strategic dimensions—because in the end, what truly matters is how these dimensions serve the nation's interests.

Whatever foreign policy you decide to adopt, the real skill lies in determining what brings the greatest advantage to your country. Nehru even expressed regret that no constructive economic policy had yet been formulated at the time. Once such a policy is in place, he asserted, it would shape your foreign policy far more than any speech or declaration ever could.

While specific foreign policy decisions may at times be driven by strategic or political considerations, Nehru's insistence on the

foundational role of economic policy becomes especially meaningful when viewed against the backdrop of a post-colonial, bipolar world.(Parikh, 1967)

CHECK YOUR PROGRESS

1. How does India's vast geographical expanse influence its neighbourhood policy?
2. In what ways do shared borders with neighbouring countries impact India's foreign relations?
3. Why is regional stability a key priority in India's neighbourhood policy considering its geographical diversity?
4. How has the geographical location of India shaped its strategic approach towards neighbouring countries?
5. Why is border security considered a crucial aspect of India's geographical determinants in its neighbourhood policy?
6. How do geographical boundaries influence India's response to cross-border migration and refugee issues?
7. What role does the geographical contiguity of India with countries like Nepal, Bangladesh, and Pakistan play in shaping its foreign policy?

3.4.3 Historical and Cultural Factors

Historical and cultural factors are very influential which has helped shaping India's neighbourhood policy and that have fostered both cooperation and conflict with its neighboring countries. Historically,

India's shared colonial past with nations like Pakistan, Bangladesh, and Sri Lanka has influenced its diplomatic engagements, often marked by unresolved territorial disputes and legacies of partition. Civilizational ties rooted in ancient trade routes, religious exchanges, and linguistic commonalities have also played a crucial role in shaping bilateral relationships. India's cultural and spiritual influence, especially through Hinduism and Buddhism, has strengthened its soft power outreach in countries like Nepal, Bhutan, and Myanmar. However, historical grievances, such as the partition of 1947 and regional conflicts, have also fueled tensions, particularly with Pakistan and China. These historical and cultural linkages continue to shape India's strategic approach, balancing geopolitical pragmatism with shared regional identities in its pursuit of stability and cooperation in South Asia.

India's historical trajectory plays a vital role in shaping its relationships with neighboring countries. It can be mentioned that the two most important policies and strategies Nehru gave India for defense and prosperity were nonalignment and panchsheel (Norman D Palmer and Howard C Perkins, "India's Policy of Peace and Nonalignment", *International Relations: The World Community in Transition*, (London: Stevens and Sons, 1954, pp717–37) and Surjit Mansingh, *India's Search for Power: Indira Gandhi's Foreign Policy 1966–1982*, (New Delhi: Sage, 1984, pp13–25). At the Asian Conference of 1947 and the Afro–Asian Conference of 1955, Nehru argued for newly independent countries of Asia, Africa and Latin America to keep out of Cold War politics and not permit foreign powers to set up bases on their soil. Although India's leadership was

often questioned, it succeeded in not becoming a part of the Cold War (AW Stargardt, “The Emergence of the Asian System of Powers”,

Modern Asian Studies, vol23, no3, 1989, pp561–95). Nonalignment however does not mean maintaining a distance from the big powers or practicing isolation but rather bargaining for best self-interests without militarily participation. Further, in 1952 Nehru signed an agreement with China based on India’s Vedic tradition and culture. (Sahoo, 2016)

India also made important breakthroughs in the late twentieth and early twentyfirst centuries during the administrations of Rajiv Gandhi, P.V. Narasimha Rao and later Manmohan Singh. It adopted a Look East policy as well as liberal policies in trade and commerce and opened up its economy. Aid was taken from the International Monetary Fund, the World Bank and other international financial institutions under structural adjustment programmes (R Nagaraj, “What has Happened since 1991: An Assessment of India’s Economic Reforms”, Economic and Political Weekly, vol32, nos44 and 45, November 1998, pp2869–79). Although in those years India neglected and underestimated its neighbours, a breakthrough was made in 1997, by a policy formulated by Prime Minister Inder Kumar Gujral. The Gujral Doctrine was an assistance package exclusively for smaller neighbours (Gujral, 2003). It argued for free trade facilities cooperation in fighting regional problems such as deadly diseases, insurgencies, terrorism and trafficking as well as the distribution of natural resources, the free movement of ideas,

people, techniques, technologies and thoughts, intelligence sharing, regional development and so on. (Sahoo, 2016)

3.4.4 Domestic Factors

The domestic environment refers to the overall conditions and distinctive settings within a country that influence the formulation of its foreign policy. India's vast social and cultural diversity serves as a significant asset in the realm of international politics. For example, being home to the world's second-largest Muslim population necessitates that Indian foreign policy fosters amicable ties with Arab nations and other countries with sizable Muslim communities, such as Pakistan, Bangladesh, and the Maldives. At the same time, this Islamic aspect has provided India with a deep and nuanced understanding of the so-called 'Muslim world.' Similarly, Tamil Nadu's political dynamics play a crucial role in shaping India's relations with Sri Lanka. The Bengali bhadralok of West Bengal forms the foundation of India's engagement with Bangladesh. The situation in Kashmir remains the most decisive factor in India-Pakistan relations. Additionally, Nepal and Bhutan hold a unique and multifaceted place in India's cultural landscape.

While discussing about the domestic factors which contributes towards the development and maintenance of friendly relations with the neighbouring countries, it is important to mention that India's political and socioeconomic progress is highly dependent on the stable, safe, and peaceful environment of its neighbours. No nation can become a genuine power in the world arena, unless it has long-term primacy in its own neighbourhood. According to Muni

and Mohan (2004) it has been stated that 'India's ability to manage its own neighbourhood will determine whether it achieves its goal of becoming one of Asia's major powers.' India considers its Neighbourhood First Policy as a main instrument of its foreign policy. At the same time, the policy has been criticized for being inconsistent and misinterpreted. Our aim is to investigate India's Neighbourhood First Policy from the point of view of four prime ministers of India. (Aryal, Bharti, 2023)

When assessing domestic factors, Indira Gandhi's period stands out as a crucial phase, marked by significant political, economic, and social transformations that shaped the trajectory of Indian governance as well as neighbourhood policy of the country. Indira Gandhi abandoned the 'family approach' of the Indian Neighbourhood First Policy. Indira Gandhi took some decisive actions in India's neighbourhood. Two major successes were credited in her neighbourhood approach which are mentioned here: (1) the inclusion of Sikkim (later merged with India in 1975) under the Indian protectorate and (2) the liberation and independence of Bangladesh from Pakistan. As forcefulness and decisiveness had never been apart of Nehru's leadership towards the neighbourhood, Indira showed a more assertive and realist approach in South Asia. Indira Gandhi's foreign policy was based on the famous 'Monroe Doctrine' to position India in its South Asian neighbourhood. It has been explained that Indira Gandhi's belief in the 'Indian Neighbourhood policy was to be an exclusive zone of supremacy and dominance. She also wanted that no foreign power would be allowed to interfere in the region. (Aryal, Bharti, 2023)

Besides the distinct ways in which India's social, cultural, ethnic, religious, and linguistic characteristics influence her foreign policy, there are also various situational or contextual factors within the domestic sphere that contribute to shaping the nation's external relations. When there is broad consensus on certain issues within the country, the government finds it relatively straightforward to follow a clear course of action without the possibility of retracting from that stance. However, when differing opinions emerge regarding the government's policy, it becomes challenging to implement that policy with strong conviction and determination.

STOP TO CONSIDER

Domestic Factors play a significant role in shaping India's neighbourhood policy, as internal political, social, and economic conditions directly influence its external relations. India's democratic framework, political leadership, and governance approach determine the nature of its engagement with neighbouring countries. Additionally, public opinion, media influence, and pressure from political parties often impact foreign policy decisions. Historical Factors have a profound impact on India's neighbourhood policy, as shared historical experiences, cultural ties, and colonial legacies shape its bilateral relations with neighbouring countries. The partition of India in 1947, which led to the creation of Pakistan, has significantly influenced India's security and foreign policy posture in the region. Additionally, the colonial past has left behind unresolved territorial disputes and socio-cultural divisions, further influencing the dynamics of India's foreign relations. Historical connections through trade, religion, and culture with countries like Nepal, Bangladesh, Sri Lanka, and Myanmar continue to shape India's approach towards fostering cooperation and mutual

understanding in the region. However, unresolved historical conflicts and border disputes still pose challenges in building harmonious relations.

3.4.5 Personal Charisma

Foreign policy and neighbourhood policy are fundamental while analyzing a world leader, especially in a country like India where historically international relations have not been a high priority. Two of the most influential Indian prime ministers have been Jawaharlal Nehru and Narendra Modi and with leaders of such high stature, can be analyzed here. It is true that Jawaharlal Nehru was one of the most influential prime ministers India has had. Nehru took the oath as the first Prime Minister of India on August 15, 1947, but it is fair to assume that before he ever took office, he already had plans and ideas for how India's foreign policy would be shaped. It is interesting to note that Nehru had immense faith, even before the establishment of the foreign services, that India would be able to influence the world order in a positive sense. It was during the Second World War when Nehru realized the true strength of Indian diplomacy. Negotiations with the British were at their peak and instances of Nehru being in contact with the American President as well as other world leaders to further their cause were seen. It was during these times that Nehru realized that India had to play the role of a 'peacemaker', as and when India attained its long-awaited independence. Nehru also showed confidence and trust in the idea of the United Nations and its ability to further peace. (Kaushik, 2021)

As this sub-point in the particular chapter is assessing the charismatic personality of the leaders in the context of India's neighbourhood policy, it can be stated here that among all prime ministers post-Nehru, Modi appears to exhibit the most assertiveness on the global stage in terms of foreign relations. While Manmohan Singh's tenure under the UPA government saw some shifts in foreign policy, his accomplishments do not quite match those of Modi. The same can be said for other prime ministers. From the outset, Indira Gandhi prioritized domestic policies and did not introduce any groundbreaking changes in foreign affairs. Vajpayee, often regarded as one of the most charismatic leaders of the country, lacked a consistent ideological framework in his foreign policy, apart from a few notable instances. This is what sets Modi apart from other prime ministers after Nehru.

It can be analyzed here that to develop the economic prowess of India works as a cornerstone of Modi's real politics in foreign policy and to develop foreign relations with neighbouring countries. There has been a rather slow and gradual shift away from China as well. The Chinese expansion in Asia has been a cause of concern for India. If there is one country where Modi has been unable to show a similar real political intent it is China. Despite recent standoffs in Doklam and the Galwan Valley, India has kept its no first attack policy intact. Furthermore, during the first term in office, Modi was not able to economically challenge China as we saw the Belt and Road Initiative of China gaining more ground. In the neighbourhood of India, Pakistan and Sri Lanka have already established contact over the project. Sri Lanka is a case that India needs to keep in mind.

One of the key Lankanport is now owned by China over a ninety nine year lease after Sri Lanka was unable to repay the loan and this is something that India cannot afford, i.e. increasing Chinese control over sea routes in the South Asia region. It is only in 2020 that the realist intent became visible with China. The Indian government had initially banned fifty nine Chinese apps and looks forward to banning more. This is just a start and India needs to clarify its intentions with China and suitably align with the West if she wants to challenge China within Asia. China is without a doubt the weakest point of Modi's foreign policy as was the case with Nehru. The relationship with Pakistan is the same as it had been for earlier prime ministers. There have been attacks carried out by terrorists in India, which India feels are orchestrated by the Pakistani government and India has replied with a surgical strike or other forms of retaliation. There has not been much of a shift in Modi's policy towards Pakistan and the stance remains consistently realistic. (Kushik, 2021)

3.4.6 Ideological Influence

Ideological influence can be a very crucial determinant of India's neighbourhood policy as it means the implicit or explicit commitment of a leader to a particular ideology. Capitalism and socialism, as the two opposing poles of the ideological spectrum in international relations, dominated global affairs for nearly half a century through the Cold War. Therefore it can be said that the ideological inclinations of the leaders had an important role to play when it comes to decide about the neighbourhood policies, specially in case

of India. Besides this it is also true that many of the leaders got their ideological orientation and inclination because of their genuine belief in a particular ideology. Regardless of the fact that how a leader adopts a particular ideology, their ideological commitments inevitably influence a country's foreign policy decisions.

It can be analyzed that formulation and conduct of Indian foreign policy since independence, mostly have been the obvious repercussions as well as impact of a particular ideology which has taken a decisive role regarding India's relations with different countries at different points of time. As because Jawaharlal Nehru was always inclined towards the socialist ideology, therefore the neighbourhood policy and foreign policy during his leadership was always inspired by the socialistic underpinnings. Although the dynamics of the Cold War prevented India from formally joining the Soviet bloc, Nehru's personal rapport with leaders and India's broader engagements with individual nations reflected a strong socialist influence on its foreign policy. This socialist orientation became most evident during Indira Gandhi's tenure when she signed the Treaty of Peace and Friendship with the Soviet Union, effectively setting aside India's long-standing commitment to the doctrine of Non-Alignment.

It has been noticed that in recent times, the leadership's ideological inclination toward free-market capitalism has led to a noticeable shift in India's relation with its neighbours toward the United States and other capitalist nations. This highlights how the ideological preferences of political leadership have consistently played a key role in shaping India's foreign policy.

CHECK YOUR PROGRESS

1. How does the personal charisma of India's political leaders influence the country's neighbourhood policy?
2. In what ways can a leader's personal image and popularity shape India's bilateral relations with neighbouring countries?
3. Why is the personal charisma of the Prime Minister or key political figures important in fostering strong diplomatic ties with India's neighbours?
4. Can the personal appeal of a leader help in resolving long-standing political or border disputes with neighbouring countries? If yes, how?
5. How have charismatic leaders in India's history, like Jawaharlal Nehru or Narendra Modi, impacted India's foreign policy towards its neighbours?

3.4.7 India's Neighbourhood Aid Policy

India's Neighbourhood Aid Policy is a key component of its foreign policy, which aims at fostering regional stability, economic growth, and diplomatic goodwill among its neighboring countries. India's neighbourhood aid policy is always guided by the principles of cooperation and mutual benefit, this policy is implemented through financial assistance, developmental projects, capacity-building initiatives, and also humanitarian aid. India provides grants, concessional loans, and technical support to countries such as Nepal,

Bhutan, Bangladesh, Sri Lanka, and Afghanistan, focusing on sectors like infrastructure, health care, education, and energy. The policy aligns with India's "Neighbourhood First" approach, emphasizing connectivity, trade, and people-to-people ties. Through projects like the South Asia Satellite, road and railway networks, and disaster relief assistance, India strengthens its strategic and economic ties while countering external influences in the region. However, geopolitical challenges, security concerns, and shifting regional dynamics continue to shape the effectiveness of India's aid strategy. (Kumar, Sharma, 2015)

Over the past few decades, India's status has changed at the global level specifically because of its high economic growth, steady integration with the international economy, growth in business processing, induction of nuclear weapons and enhancement of national defense strategy. It can be said that India's aid policy towards South Asian neighbours has been driven by economic, historical and political reasons. India started to provide aid to neighbouring countries such as Nepal, Sri Lanka and Bhutan in the 1950s. Traditionally, Indian aid has focused on technical assistance. It has been involved in aid through the use of its manpower assets in the form of human capacity and the provisioning of training. While talking about India's aid policy to its neighbours, it can be mentioned that Bhutan is the largest recipient of India's assistance whether it is ITEC assistance or loan. (Kumar, Sharma, 2015)

There is no clear answer for why India provides aid to its neighbours. No specific policy of the MEA in India guides the aid decisions, and therefore can be attributed to its changing foreign

policy planning. Sometimes, these are ad hoc decisions while there are some fixed channels also for aid delivery, as well as some underlying cultural principles and priorities. India's relations with its neighbors can be understood within the broader framework of hegemony and globalization. With the structural constraints of the Cold War no longer in play, India is actively pursuing strategic political and economic alliances at both bilateral and regional levels, aiming to secure substantial security benefits

The political and military crises unfolding across various South Asian nations, coupled with China's growing influence in the region, have heightened India's concerns about adopting a comprehensive and cooperative neighborhood policy. As India's power and global reach expand, its approach to economic diplomacy has become increasingly assertive. While India is striving to position itself as a leading aid donor, particularly in South Asia, it still requires a well-structured mechanism to effectively channel and oversee its aid strategy.

As India's military and economic strength grows, its strategic interests have gained significance in regions where it has historically held influence. This has driven India to expand its regional cooperation in recent years. Jawaharlal Nehru's vision extended beyond merely advancing India's national interests, he also underscored the nation's responsibility to support its allies and partners.

For instance some of the aid activities of India can be mentioned here as examples of the same. Treaties with the British system were signed with Nepal in 1819 and 1923 and with Bhutan in 1865 and

1910. Jawaharlal Nehru reconstructed the economic and security treaties with these countries. After independence, India signed a treaty with Nepal in 1947 that allowed it to recruit Nepalese in Indian security forces. Even Nehru invited Nepal and Bhutan to participate in the First Asia Relations conference of April 1947 in New Delhi that was hosted a few month before the Indian independence, it started a new beginning in the foreign relations of these isolated small countries with the rest of the world. (Kumar, Sharma, 2015)

CHECK YOUR PROGRESS

1. What is the primary objective of India's aid policy towards its neighbouring countries?
2. How does India's aid policy contribute to strengthening bilateral relations with its neighbours?
3. Why is providing developmental assistance to neighbouring countries considered a key aspect of India's foreign policy?
4. How does India's aid policy reflect its commitment to the "Neighbourhood First" approach?
5. What are the major sectors in which India extends financial and technical assistance to its neighbouring countries?
6. How does India's aid policy help in fostering goodwill and trust with neighbouring countries?
7. How does humanitarian aid, provided during natural disasters or emergencies, strengthen India's diplomatic relations with its neighbours?

3.5 Summing Up:

After reading this unit you have learnt that the determinants of India's foreign policy serve as the foundational framework that shapes the country's external relations. However, the inherent nature of these determinants provides considerable scope for policymakers to creatively reinterpret and adapt them in order to overcome the limitations they may impose. Unlike countries such as Japan and Singapore, where foreign policy determinants have posed significant challenges in securing a respectable international role, India possesses natural advantages that can substantially bolster its global standing. Yet, the realization of this potential depends heavily on the vision and dynamism of the country's leadership.

Historically, India has faced setbacks due to the idealistic and narrow approach of some of its leaders, most notably resulting in the 1962 debacle with its neighboring country. Nevertheless, this challenging episode served as a crucial lesson, and since then, the nation has made remarkable progress in asserting its presence on the global stage. Moving forward, it is essential that the major determinants of India's foreign policy are aligned in a manner that strengthens its capacity for meaningful engagement in international affairs, rather than impeding its growth.

Although India's growing stature in the international arena has caused apprehension in certain quarters, its pursuit of global involvement remains firmly grounded in principles that do not threaten the interests of any nation. This neutral and cooperative approach can, therefore, facilitate greater acceptance of India's expanding role in global governance. To ensure that national

interests remain intact in the face of evolving global dynamics, the country's foreign policy determinants must consistently empower the leadership in promoting India's strategic, economic, and diplomatic objectives. By doing so, India can effectively transform the challenges posed by its foreign policy determinants into opportunities, paving the way for enhanced global influence and stature.

The Indian policy makers throughout the history of independence have used a very strategic policy towards all the countries, especially to her immediate neighbours in the South Asian region. The Nehruvian legacy of ignorance and the 'Indira way' of beneficial bilateralism and the Rajiv Gandhian style of domination has changed its colours under the post 1990 policy makers but the underpinnings has been the same - to be in a win-win situation in any neighbourly relations. Now that a frame of mindset is not at all in tune with the shifts that got reflected in the policy pronouncements since the time of Gujral government mainly hinting at the desire of India to move a step ahead and that got reflected in the Gujral Doctrine, the bus diplomacy and the operationalisation of the SAFTA agreement. However the politics lies in the conflict/conflictual issues and the management of conflict/conflictual issues with the neighbours and in this count the entire post cold war Indian policy makers failed to achieve anything substantial. The critical problematic inter-state issues at stake for India in the South Asian neighbourhood for the last sixty long years that are yet to be resolved are- the Ganga water sharing, Kashmir problem, problem of illegal migration and problem of tracking the

terrorist training camps. Essentially through a number of composite dialogue process the Indian leaders under the illumination of a new policy approach tried to bring down the inter-state tension and mistrust and was also able to an extent. (Chattopadhyay, 2010)

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UNIT: 4

INDIA AND ITS NEIGHBOURS: BOUNDARIES AND ITS CHALLENGES

Unit Structure:

- 4.1 Introduction
- 4.2 Objectives
- 4.3 Genesis
- 4.4 India and China
- 4.5 India and Pakistan:
- 4.6 India and Nepal
- 4.7 India and Bangladesh
- 4.8 India and Bhutan:
- 4.9 India and Myanmar
- 4.10 India and Sri Lanka
- 4.11 India and Afghanistan
- 4.12 Summing Up
- 4.13 References and Suggested Readings

4.1 Introduction:

The geographical location and size of India has been a major determinant of independent India's foreign policy. With approximately 3.28 million square kilometers of land, India is the seventh largest country in the world by area and also the most populous. India shares land borders with seven countries and maritime border with two countries. According to Ministry of Home Affairs, India shares 15,106.7 Kilometer of land border with Bangladesh, China, Paksitan, Nepal, Myanmar, Bhutan and Afghanistan. The Department of Border Management was created in

the year 2004 to look after the issues relating to international land and coastal borders and their management. With the objective of attaining strategic autonomy, India tries to build a peaceful and stable relation in its neighborhood.

Name of the country	Length of the border
Bangladesh	4,096.7 Kilometres
China	3,488 Kilometres
Pakistan	3,323 Kilometres
Nepal	1,751 Kilometres
Myanmar	1,643 Kilometres
Bhutan	699 Kilometres
Afghanistan	106 Kilometres
Total	15,106.7 Kilometres

Table 1: The table shows the length of international land boundaries shared by India

Source: Ministry of Home Affairs Website

(<https://www.mha.gov.in/sites/default/files/BMIntro-1011.pdf>)

4.2 Objectives:

This unit tries to give an understanding of the genesis of India's border disputes with the neighboring countries and its impact. The objectives of this unit can be summed up as follows-

- *explain* the genesis and causes of border disputes;
- *analyse* the impact of these disputes on India's neighbourhood policy;
- *understand* India's bilateral border disputes with China, Pakistan, Bangladesh, Nepal, Bhutan, Myanmar and Sri Lanka.

4.3 Genesis:

The genesis of border disputes in South Asia can be traced back to the colonial rule. Most of South Asian nation states' borders were drawn by their colonial masters to fulfill their interests. Therefore, even after colonialism ended, border disputes continued to exist owing to claims and counter-claims among the newly independent states regarding their border. The ambiguities regarding borders between India and neighboring countries date back to the colonial period. India and Pakistan both claim Kashmir to be a part of their territory. Aksai Chin is another such bone of contention between China and India. The Durand Line, which is a border between Pakistan and Afghanistan is a contentious issue. All these disputes reflect the divide and rule policy used by the colonial forces to keep the colonies disturbed. As the colonial forces went back completely overlooking these issues, border disputes remain unresolved even today. Apart from imprudent demarcation, the fact that demarcations were done without proper surveys or background research fueled boundary disputes among the countries that were once colonies and now neighbours. The boundaries were decided by the colonial masters without considering the wishes and aspirations of the colonies involved. Consensus of the countries involved were never taken into account by the colonizers while demarcating boundaries which further escalated to disputes we see even in the present day.

4.4 India and China:

India and China share a 2200-mile-long border which is regulated by agreements and administrative arrangements. The major border dispute between the two countries is regarding the Mc Mohan Line in North East India and Ladakh in North West India.

The Mc Mohan Line was demarcated as the border between India and China in 1914 at a conference in Shimla. The conference was attended by representatives of British India, China and Tibet. The conference agreed on division of Tibet into two parts i.e. Inner and Outer Tibet. The representative from India, Henry Mc Mohan drew a line on the map with red ink to demarcate the border between Outer Tibet and India. The line was drawn through the Tibetan plateau in the north and Indian hills in the south. India always accepted this line as boundary between the two states, but China condemned it as an “imperialist line” and refrained from accepting it.

Arunachal Pradesh: China claims over 90,000 square Kilometers of India in the north-eastern region, which includes the entire state of Arunachal Pradesh. The assertions are so strong that Arunachal Pradesh is known as South Tibet in China. China considers Tawang, a district of Arunachal Pradesh in the north west to be a part of China, as this portion shares border with Bhutan and Tibet and is hence strategically significant for China.



Map 1: The McMahon Line between India and China with disputed territories. Source: AlJazeera

In the year 2007, a group of 107 Indian Administrative Officers were supposed to visit China on a study tour, to understand the economic growth of China and its policies. But the visit was cancelled by the Government of India as China denied visa to one IAS officer who was from Arunachal Pradesh. Chinese authorities regard Arunachal Pradesh as a part of China; therefore, they said that this IAS officer was a Chinese citizen. Prime Minister Manmohan Singh's visit to Arunachal Pradesh in February 2008 snowballed a controversy in China, responding to which the then External Affairs Minister Pranab Mukherjee stated "the PM has the right to visit any part of the country". Similarly, China expressed their displeasure over President Pratibha Patil's visit to Tawang in 2009. Tibetan spiritual leader Dalai Lama's visit to Arunachal Pradesh in 2009 after a gap of six years was also opposed by China. Similar objections were raised by China during the Dalai Lama's visit to Arunachal Pradesh again in 2017. Chinese Foreign Ministry Spokesman Geng Shuang gave a statement that the Dalai Lama's visit to the disputed territory 'will cause serious damage to peace and stability of the border region and China-India relations'.

Aksai Chin: In the north western part also Aksai Chin, an area of around 38,000 square kilometers, has been under the control of China, which India claims to be a part of its own territory. According to Indian claims, Aksai Chin became a part of India in 1947 when the princely state of Jammu and Kashmir signed an Instrument of Accession with independent India. On the contrary, according to Chinese claims, Aksai Chin comes under the Xinjiang Autonomous Region. China took control of this region in 1950s after taking control of Tibet to further strengthen its claim. As Aksai Chin was a part of the old Silk Route, the strategic importance of this region is manifold even after being inappropriate for habitation.

The Tibet Dispute:

The contestation between and China can be traced back to the 18th century, over the succession of the 6th Dalai Lama. The capital of Tibet, Lhasa, was captured by China and the 7th Dalai Lama was also chosen by China. For most of the 19th century, Tibet was recognized as a part of China. The British Government in India signed a treaty in 1890, which demarcated the border between India and Tibet, but Tibetan rulers rejected it. Russia also tried to bring Tibet under its influence. As a result, in 1904 Lord Curzon sent British Indian troops to bring Tibet under British control. In 1906, the British accepted suzerainty of China over Tibet under a treaty signed with China. Under the provision of this treaty, one British agent was posted in Lhasa and India got the right to maintain troops in Tibet. In 1907, an Entente was signed between Britain and Russia whereby Chinese suzerainty over Tibet was accepted by both the countries.

However, the Chinese troops were forced to leave Tibet after the Chinese revolution of 1911. After repeated unsuccessful attempts to establish Chinese authority, representatives of China, Britain and Tibet met in 1914 to discuss the issue of Tibet. Chinese suzerainty was again confirmed and Tibet was divided into two parts- Inner and Outer Tibet. China accepted the autonomy of Outer Tibet and agreed not to turn it into its colony and agreed to non-interference in the internal affairs of Tibet. Even during the Chinese Civil War (1933-39), repeated attempts were made by China to control the domestic as well as foreign policies of Tibet.

Jawaharlal Nehru, the first Prime Minister of India, was very optimistic about the ties between India and China. He advocated for a policy of cooperation and friendship between the two countries, which paved the way for a cordial relation between the two. India was the first non-communist country of Asia to uphold the One

China policy. However, the period of cordial relation was short lived as problems started to emerge regarding the issue of Tibet.

Problems with China escalated when the Dalai Lama sought asylum in India in 1959. As a result of the Tibetan uprising, the Dalai Lama fled and settled in Dharamshala and established a government in-exile. China was suspicious of India's involvement in the uprising. These events ultimately led to the war of 1962, as India adopted a proactive policy and started setting up posts in the disputed territory. China retorted swiftly as they considered that territory to be a part of their own. Chinese forces pushed back Indian troops and seized control of Aksai Chin.

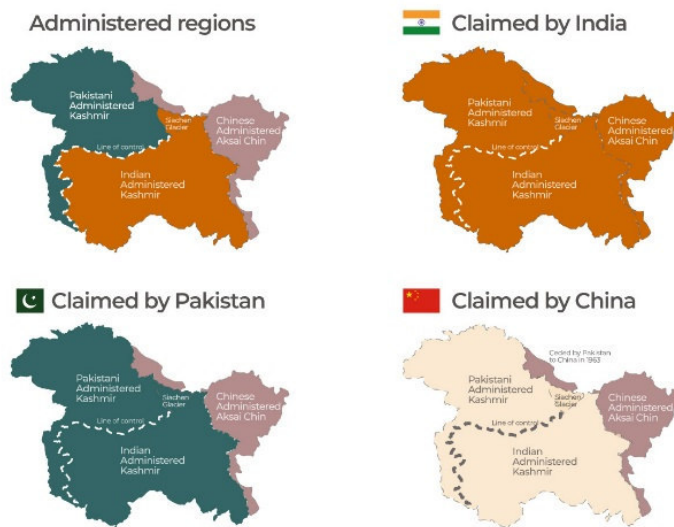
4.5 India and Pakistan:

Relations between India and Pakistan are mostly centered around resolving their border dispute which resulted from a colonial legacy. The boundary between India and Pakistan is known as the Redcliffe line, as it was demarcated by a British barrister named Sir Cyril Redcliffe. This border demarcation only created anomalies as it was defined by a person who had never visited India.

The Kashmir Issue: India and Pakistan share a very hostile border relation over Kashmir ever since the partition of 1947. At the time of partition, Maharaja Hari Singh was the ruler of the princely state of Kashmir. Like the other princely states, Kashmir was also offered to join either the Dominion of India or the Dominion of Pakistan. Maharaja Hari Singh decided to remain independent by not joining any of the Dominions. The Maharaja came into a standstill agreement with Pakistan, while India abstained from coming into such a temporary adjustment. Despite the agreement, Pakistani forces started building pressure and under the code name Operation Gulmarg invaded Kashmir in October 1947. The security forces of

Kashmir soon became weak to fight against the invasion and turned to India for help. As a result, the Maharaja signed an Instrument of Accession on 26th of October, 1947 and the princely state of Kashmir became a part of the Dominion of India. Indian troops were airlifted to clear the Pakistani aggressors. However, India could only clear a part of the aggression. On January 1, 1948 India put the issue before United Nations Security Council for their assistance. United Nations Security Council passed a resolution stating the need of conducting a Plebiscite for settlement of the dispute between two states.

When joining India by signing the Instrument of Accession, Jammu and Kashmir was a territory of 2,223,236 square kilometer. At present, only 1,06,566 square kilometer of territory is under Indian control. Other parts of Jammu and Kashmir are occupied by China and Pakistan. Pakistan occupies 72,935 square kilometers of territory known as Pakistan Occupied Kashmir. China controls 37,555 square kilometers of territory called China Occupied Kashmir.



Map 2: Map showing claims on Kashmir by various states.

Source: ResearchGate

Siachen Glacier: Control over the Siachen Glacier is another bone of contention between India and Pakistan. Due to its high altitude, unpleasant weather, rough terrain and proneness to avalanches, Siachen is one of the most inhospitable regions in the world. The Line of Control (LOC) of 1949 did not clearly define the position of the glacier, therefore both the countries made competing claims over that territory. It was only during the 1970s that India became aware of this glacier from the European and American mountaineering maps. While India never allowed any kind of mountaineering expedition in the glacier, Pakistan on the other hand was very encouraging of such expeditions for gaining claim over the glacier. India changed its policy in 1978 and dispatched a troop of army personnels for patrolling in that territory. Soon, Pakistan started protesting against the presence of Indian soldiers on the glacier. The territory has since then become a battleground for India and Pakistan.

Sir Creek: Sir Creek is a 60-kilometer-long delta located between Gujarat in India and Sindh in Pakistan. Sir Creek which runs through Rann of Kutch is another disputed territory between India and Pakistan as the boundary line is not clearly defined. Although this is a low-lying swampland, it may provide ample opportunity for petroleum resources as well as abundance of fishes.

Baglihar Dam: Baglihar Dam also known as Baglihar Hydel Power Project constructed on the Chenab River in Jammu and Kashmir had created tensions between India and Pakistan on the point of utilization of resources. Pakistan objected the construction of this dam owing to India's upper hand for being an upper riparian state. Pakistan considers it to be a violation of the Indus Water Treaty of 1960. According to them as India has an upper hand in the Indus river, India has control over the water flow, which can be used as a geostrategic weapon against Pakistan.

STOP TO CONSIDER

The major reason behind the genesis of India's border dispute with her neighbors is a result of colonial legacy; as the borders were demarcated by the colonial masters to suit their administrative needs.

India's major boundary disputes are with China and Pakistan.

Although China is India's largest trading partner, dispute over borders emerge from time to time.

Major areas of contention between India and China are- Arunachal Pradesh in North East India and Ladakh in North West India. The issue of Tibet adds to this dispute.

The relation between India and Pakistan also witnessed turmoil due to boundary conflicts in Kashmir.

Siachen Glacier, Sir Creek and Baglihar Dam are other such disputed areas between the two.

4.6 India and Nepal:

Although India and Nepal share peaceful border relations, it is not completely free from contentions. The border demarcation between India and Nepal is widely followed in accordance to the Sugauli Treaty between Colonial India and Nepal signed in 1816. Nepal is a buffer state between India and China; therefore, neutrality of Nepal is strategically very significant. Lipulekh and Susta are two major areas of contention between India and Nepal.

Lipulekh is a tri-junction between India, Nepal and Tibet (under Chinese control). It is a small piece of land, approximately 35 square kilometers in area, which both India and Nepal claim to be a part of their territory. This part of Kalapani is claimed by India as part of Uttarakhand's Pithoragarh district, while similar claims have

been made by Nepal. Nepal claims this territory to be a part of Dharchula district. The Nepalese claim the name of this territory is Limpiyadhura, not Lipulekh. According to the Nepalese version, during the Sino-Indian war of 1962, Indian troops were allowed to use certain parts of Nepal for defense purposes. The Indian troops moved out from all the other parts except Kalapani. Therefore, Nepal refuses to recognize Lipulekh as a tri-junction and they refer to this part as Limpiyadhura.

Susta is another disputed territory between India and Nepal which currently comes under West Champaran district of Bihar. It is 20 square Kilometers in area and was a part of Nepal under the Sugauli Treaty. However, Susta became a part of India due to changes in the riverbed. Nepal made allegations about India's encroachment on 14000 hectares of Nepali land.

4.7 India and Bangladesh:

India and Bangladesh share 4096 Kilometers of border which is the fifth longest land border in the world. Five Indian states including West Bengal, Assam, Meghalaya, Tripura and Mizoram share their borders with Bangladesh. Bangladesh, earlier known as East Pakistan, was a part of Pakistan after the Partition of 1947. The boundary between India and Bangladesh was very hastily drawn by Sir Radcliffe without considering socio-cultural and natural factors. India considers this demarcation to be an artificial one without considering natural barriers between the two states and thus views this demarcation to be a serious security threat. The border between the two states was drawn in such a way that people's dwelling fell in one state while agricultural land in another. Also, the open border creates another security challenge for India, as due to tough and hilly terrains, it is very difficult to build fences along the border.

In 2011 both the countries signed an agreement to resolve the age-old border dispute and agreed upon an exchange of 111 Indian enclaves with 51 Bangladeshi enclaves. However, the exchange could not happen due to disapproval from some political organizations from Assam and West Bengal. The reason behind this disapproval was that India was set to lose 10,000 acres of land in the exchange. It was also argued that this would also give rise to secessionist inclinations in other parts of India.

The boundary dispute between India and Bangladesh extends into the maritime domain as well. There exists dispute regarding the identification of base-line points in the maritime boundary. Disagreements over maritime boundary leads to disputed claim over Exclusive Economic Zones and maritime resources. Drilling rights in the maritime boundary also creates problems between the two countries.

STOP TO CONSIDER

- India and Bangladesh share the fifth largest border in the world.
- The border with Bangladesh creates serious challenges for India due to tough and hilly terrains that make it very difficult to build fences along the border.
- The boundary dispute between India and Bangladesh extends into the maritime domain as well.
- The border demarcation between India and Nepal is widely followed in accordance to the Sugauli Treaty between Colonial India and Nepal signed in 1816.
- It leads to major dispute in two areas, namely- Lipulekh and Susta.
- India and Bhutan share a considerably peaceful and well managed border.
- In spite of such a well-managed border, a dispute arose in 2017 in Doklam.

- There is no formal boundary dispute between India and Myanmar.
- But, the porous border with Myanmar creates multiple challenges for India.
- Influx of refugees, activities of insurgency groups, drug trafficking as well as human trafficking, to name a few.
- The island of Kachchatheevu, located at the Palk Bay sparks tension between India and Sri Lanka.

4.8 India and Bhutan:

There is a 405-Kilometer-long international border between India and Bhutan which is considered to be a peaceful and well managed border in the region. There is no major border dispute between the two countries. Four of Indian states, namely, Arunachal Pradesh, Assam, West Bengal and Sikkim share their borders with Bhutan. The Indo-Bhutan border policy is characterized by a unique relationship that fosters relatively free movement (without the need for a visa) for the citizens of both the nations. The close ties between the two countries have traditionally led to open borders through strong diplomatic and cultural relations and a history of trust.

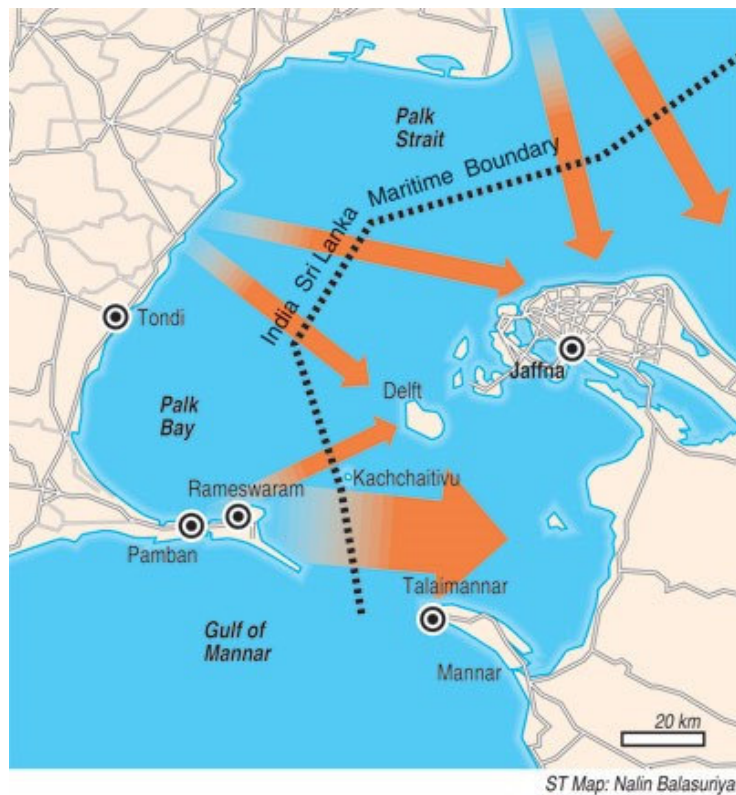
The Doklam standoff of 2017 raised some tension between the two countries. The Doklam plateau, situated in Bhutan, is a trijunction between China, India and Bhutan. Disputes regarding this plateau began in June 2017 when China tried to build roads in that area and India opposed it. This plateau is located near the Siliguri corridor or the ‘Chicken Neck’ that connects the North Eastern part with the rest of India. Therefore, limiting China’s influence near that corridor is strategically very important for India. The standoff lasted for three months and on August 28 both countries decided to de-escalate the tension.

4.9 India and Myanmar:

There are no formal boundary disputes between India and Myanmar, but the porous border between the two creates challenges for India. This ungarded border poses serious concerns regarding influx of refugees and activities of insurgency groups. Drug trafficking as well as human trafficking is another serious cause of concern on this border.

4.10 India and Sri Lanka:

India and Sri Lanka share a cordial relation, except for the issue of ethnic conflict between the Sinhalese and Tamils of Indian origin. A border dispute regarding the island of Kachchatheevu also sparked tension between these two countries. Kachchatheevu is an uninhabited island in the Palk Straits which is used by pilgrims of both the states in the month of March every year. Tensions arose in 1968 due to the presence of Sri Lankan police in the island which India protested against. To avoid any serious escalation of the matter, Prime Ministers of both the countries met twice and finally decided not to send their police or naval patrolling in and around the island during the St. Anthony's festival celebrated in March. However, a final agreement could only be concluded after six long years i.e. in 1974. The two countries discussed extensively on issues relating to territorial, navigational and fishing rights in the Palk Bay. The 1974 Maritime Boundary Agreement was signed between Mrs. Bandaranaike and Mrs. Gandhi, which clearly demarcated the maritime boundary between India and Sri Lanka and India accepted Sri Lankan claim over Kachchatheevu island.



Map 3: Map showing the disputed Kachchatheevu island.

The waters surrounding Kachchatheevu, a small island within the Palk Bay, have become a focal point of discord. Fishing communities from Tamil Nadu, the Sri Lankan naval forces and local Sri Lankan Tamil fishers are locked in a struggle over the region's abundant marine resources. Indian fishermen report consistent harassment and intimidation, including the destruction of their catches and historically, violent encounters with the Sri Lankan navy during the island's civil unrest. This ongoing dispute arises from a fundamental clash: the maritime treaties of 1974 and 1976, ratified by the governments in Colombo and New Delhi, directly contradict the traditional fishing practices that Indian fishers have maintained for generations. Further complicating matters, Sri Lankan Tamil fishers find their livelihoods jeopardized by the

intensive bottom trawling methods employed by their Indian counterparts. The island's transfer to Sri Lanka, a decision never fully accepted by Tamil Nadu, and the subsequent elimination of Indian fishing rights in the area, have fueled this complex and volatile situation. A resolution requires prioritizing the well-being of the fishermen through diplomatic dialogue between the two nations.

4.11 India and Afghanistan:

The international border between India and Afghanistan was demarcated in 1893 by Sir Mortimer Durand, a British diplomat and Abdur Rahman Khan, the Emir of Afghanistan. The border, known as Durand Line, was inherited by Pakistan after partition in 1947. However, a small section of the border is still shared between India and Afghanistan in the Jammu and Kashmir region. This part of the border does not cause any dispute between the two countries.

CHECK YOUR PROGRESS

- a) What are the major irritants in India and Pakistan's border relations?
- b) Discuss the territorial dispute in the India – China relations.
- c) Discuss the major areas of border disputes between India and Nepal
- d) Discuss border relations between India and Sri-Lanka.

4.12 Summing Up:

Border disputes in India's neighborhood are caused to a great extent by colonial legacies. Impromptu demarcations of the borders to suit colonial interests cause problems even today. These border disputes

with neighboring countries have posed serious security challenges for India time and again. Border disputes with China and Pakistan have resulted in armed conflicts and skirmishes. At the same time, border disputes create other challenges like insurgency, cross border terrorism, trafficking of arms as well as humans. Mitigating these challenges is essential for a stable and secure neighborhood. Stronger bilateral engagements with the neighbors will help in this regard. Confidence building measures will help the neighboring countries in building trust. Tourism and cultural exchanges can be beneficial in this regard. The role of international and regional organizations as mediators in border disputes can become crucial. Thus, cooperation, commitment and political will can solve these age-old border disputes and bring a peaceful and stable environment to the neighborhood. As rightly said by former Prime Minister of India Atal Bihari Vajpayee, you can change friends but not neighbors, the only way India can have a stable neighborhood is by solving her border disputes. This will also reduce the possibilities for future skirmishes.

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UNIT: 5

INDIA AND THE INDIAN OCEAN REGION

Unit Structure:

- 5.1 Introduction
- 5.2 Objectives
- 5.3 Historical Context of India's Engagement
- 5.4 Strategic Importance of the IOR
- 5.5 Political and Economic Dimensions of India's Engagement
- 5.6 Security and Strategic Challenges
- 5.7 Contemporary Issues and Future Prospects
- 5.8 Summing Up
- 5.9 References and Suggested Readings

5.1 Introduction

The Indian Ocean Region (IOR) comprises all the states and dependencies with a coast touching the Indian Ocean and the Indian Ocean itself. India has identified 39 states under its 'Project Mausam' that it recognises as part of the IOR (Ministry of Culture, 2017). The Region is significant in terms of connectivity, geopolitics, and trade. In the last few decades, the IOR has received ample academic attention due to the multidisciplinary relevance that the affairs in the Region have drawn, interesting scholars from political science and international relations, economics, history, sociology and anthropology, and *oceanography* and environmental science. In a quote often attributed to historian Alfred T. Mahan, it has been said, “whoever controls the Indian Ocean dominates Asia” (Sen Gupta, 1987). In light of the Region's growing importance, this Unit is devoted to understanding India's multifaceted engagement with the Indian Ocean and the IOR.

5.2 Objectives

After thoroughly studying this Unit, the Learner would be able to:

- *learn* about India's historical links with the Indian Ocean and the IOR;
- *explain* why the Indian Ocean is strategically important for India;
- *discuss* how India has engaged with the IOR politically and economically, so far;
- *understand* the security and strategic challenges to India's engagement with the IOR; and
- *critically analyse* current issues and potential opportunities in the IOR that could concern India.

5.3 Historical Context of India's Engagement

The Indian Ocean, a key space in India's global engagements since the pre-colonial era, historically served as a network of essential routes for cultural, religious, and trade exchanges (McPherson, 1981). The Ocean facilitated the spread of philosophical ideas from the Indian subcontinent to Africa, Southeast Asia, and West Asia (Jaishankar, 2016). Kingdoms such as the Andhras, the Cholas, and the Pallavas conducted *mercantile* expeditions along the Indian Ocean routes, establishing trade networks that extended to Indonesia and the Philippines in the east and North Africa in the west (Madhav, 2025). Rather than focusing on militarising the IOR, these expeditions were primarily aimed at fostering peaceful people-to-people ties. Ancient texts, like *Kautilya's Arthashastra* (ca. 0–300/1915), even envisioned distinct offices for administering harbours and ports. The Indian Ocean, more than just a physical space and a body of water, symbolises the connections between

diverse cultures, economies, and politics (Cordner, 2010). These connections, established over centuries, make the Indian Ocean a crucial element in India's interactions with the rest of the world (Sen, 2023).

STOP TO CONSIDER

oceanography: “a science that deals with the oceans and includes the delimitation of their extent and depth, the physics and chemistry of their waters, marine biology, and the exploitation of their resources” [Merriam-Webster (MW), n.d.-n].

mercantile: “of or relating to merchants or trading” (MW, n.d.-l).

Colonialism, particularly the arrival of the British, significantly altered the paradigms in the IOR (Sen, 2023). Brewster (2010) notes that until 1947, India's position at the northern tip of the Indian Ocean made it very important for maintaining the British Empire's dominance in the Region, navally and economically. British India also administered overseas territories like Aden and the Trucial States and kept an armed presence throughout the Persian Gulf. Despite the importance of the Indian Ocean during the colonial period, independent India turned its gaze towards its terrestrial borders in the first decades of its existence due to hostile neighbours like China and Pakistan (Dutta & Dutta Choudhury, 2024). Panikkar (1945) had, however, emphasised the importance of the Indian Ocean for India immediately after independence due to its extensive coastline and resultant high potential for *maritime* exploration. India vouched for the Indian Ocean to be a *zone of peace* (ZoP) during the Cold War due to its commitment to non-alignment ideology and opposition to great power rivalries (Jaishankar, 2016). India's erstwhile influence in the northwest Indian Ocean also suffered due

to Pakistan's friendly relations with the states of the Arab world (Brewster, 2010). Hence, in the post-independence period, India struggled to play a significant role in the IOR in the initial years (Naidu, 2013).

STOP TO CONSIDER

maritime: “of, relating to, or bordering on the sea” (MW, n.d.-k).

zones of peace (ZoPs): “... the geographically based communities of citizens seeking to withdraw themselves from situations of violence in the midst of armed conflict [, including] peace communities in post-conflict areas as well as peace experiences for communities that became displaced due to violence or war” (Hancock, 2022).

As time passed, India re-examined the significance of the IOR in international politics and in ensuring economic and national interests (Sen, 2013). Jaishankar (2016) states that in the 1990s, the Indian Ocean started receiving serious attention from Indian policymakers. India's maritime strategies also shifted, aligning with changing security needs. Such a shift in policy priorities was achieved due to the growing importance of Indian Ocean routes in sustaining international trade, energy export-import flows, and the advent of new regional powers, like China (Kanodia, 2020; Sen, 2023). Indicating an intention to proactively engage with the affairs in the Indian Ocean, India's current *naval doctrine* emphasises “*Ensuring Secure Seas ...*” (Indian Navy, 2015). In the same spirit, India unveiled the 'SAGAR' ('Security And Growth for All in the Region') initiative as its official Indian Ocean policy in 2015 (Halдар, 2024). India now considers the regions in the Indian Ocean far away from its territory, like East and Southern Africa, as part of

its 'Extended Neighbourhood' (Naidu, 2013; Sen, 2023). India has tried to enhance its diplomatic outreach towards *littoral states* in the IOR and relations with global powers, like the United States (US). It has embraced the inclusion of the Indian Ocean in the broader 'Indo-Pacific' construct (Berlin, 2011).

STOP TO CONSIDER

naval doctrine: “... a collation of principles that guide the actions of a [naval] force in the way it organises, trains, fights and sustains itself in pursuit of national objectives; and places all its members and stakeholders on a common conceptual platform” (Khurana, 2016).

littoral: “of, relating to, or situated or growing on or near a shore especially of the sea” (MW, n.d.-j).

littoral state: “a coastal state with land territory adjacent to a particular maritime area” (“Littoral State,” 2010).

CHECK-YOUR-PROGRESS

Q.1: What were the primary aims of the mercantile expeditions conducted by kingdoms like the Andhras, the Cholas, and the Pallavas in the Indian Ocean Region (IOR) during the pre-colonial era?

Q.2: What significant shift occurred in India's focus concerning the Indian Ocean after gaining independence in 1947, and why?

Q.3: What does India's current naval doctrine emphasise regarding the Indian Ocean, and what initiative was unveiled in 2015 as India's official Indian Ocean policy?

SELF-ASKING QUESTION

How did the specific geographic features of the Indian Ocean Region (IOR) influence the trade routes and cultural exchanges in the pre-colonial era?

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5.4 Strategic Importance of the IOR

The Indian Ocean connects the continents of Africa, Asia, and Oceania and is a geostrategic pivot (Baruah, 2021). Being the third largest ocean in the world, it is a space containing several *sea lines of communication* (SLOCs). Three of these SLOCs are significant routes through which vast amounts of *merchandise* and energy resources pass. At the centre of these three SLOCs are key *choke points*: the *Straits* of Bab el-Mandeb, Hormuz, and Malacca; the Cape of Good Hope is another critical choke point in the IOR (Naidu, 2013). Major world powers at different periods have vied for control over these choke points, as they could be used to control the movement of international commerce (Brewster, 2010). Rumley et al. (2012) observe that with the emergence of the narrative that the 'Indo-Pacific' is an integrated *maritime theatre* comprising the eastern Indian and the western Pacific oceans, the importance of the IOR has increased manifold. The 'Indo-Pacific' construct represents the merging of security and geopolitical interests of the East and the West. The power struggles of the 21st century have further amplified the significance of the IOR (Cordner, 2010).

STOP TO CONSIDER

sea lines of communication (SLOCs): “... the principal maritime routes between naval ports, as used for trade, military, or other purposes” (Ogden, 2019).

merchandise: “the commodities or goods that are bought and sold in business” (MW, n.d.-m).

choke point: “a strategic narrow route providing passage through or to another region” (MW, n.d.-d).

strait: “a comparatively narrow passageway connecting two large bodies of water” (MW, n.d.-p).

maritime theatre: “... an area ... that might become directly a scene of military action [that] encompasses the entire surface of a given ocean or sea, including the sub- surface, adjacent coastal areas, islands, archipelagoes, and the airspace above it” (Vego, 1999).

The Indian Ocean's economic significance is high, being a hub of critical trade flows (Venkatshamy, 2013). Ahmad (2024) states that a significant portion of global trade passes through the IOR's *international waters*, including around 30% of *cargo* and 42% of petroleum products. Around 1 lakh ships move through the Indian Ocean yearly. As 80% of India's crude oil imports come through the Indian Ocean, the former's dependence on the IOR for energy security is evident (Baruah et al., 2023). Around 95% of India's international trade volume also depends on sea routes through the IOR, as estimated in 2016 (Jaishankar, 2016). The combined gross domestic product (GDP) of the IOR economies was estimated to be around 6.5 trillion US dollars (USD) in 2011 (Naidu, 2013). Kanodia (2020) notes that the natural resources of the Indian Ocean,

including fisheries and underwater minerals, fall under India's economic interest domain. India has been using *blue diplomacy* to harness the *blue economy* potential of the Indian Ocean; it emphasises the sustainable use of oceanic resources by all stakeholders.

STOP TO CONSIDER

international waters: “... [parts] of the world's ocean[s] ... [that] lie beyond the boundaries of any one country” (*Who Owns the Ocean?*, n.d.).

cargo: “the goods or merchandise conveyed in a ship, airplane, or vehicle” (MW, n.d.-c).

blue diplomacy: “... a dynamic, politically oriented process that aims to prevent, mitigate, and resolve water-related tensions in shared waters by making simultaneous use of diplomatic tools, water-related know-how and cooperation mechanisms across multiple diplomacy tracks” (Keskinen et al., 2021).

blue economy: “... [the] sustainable use of ocean resources for economic growth, improved livelihoods and jobs, and ocean ecosystem health” (World Bank Group, n.d.).

The Indian Ocean has remained crucial for projecting India's military might and prowess (Kanodia, 2020). As outlined by the Indian Navy (2015) in the latest maritime doctrine, India seeks to be the *net security* provider in the IOR. The Navy recognises the stretch from Africa's eastern coast to the Andaman Sea as its *maritime area of interest* (MAI) (Baruah et al., 2023). As a *blue-water navy* with logistical access to all international waters in the Indian Ocean, India needs to increase its naval capabilities to perform *out-of-area*

(OOA) *operations* (Naidu, 2013). To achieve this, India has tried to modernise its indigenous military production operations; a manifestation is launching the 'Vikrant' class *aircraft carriers* in 2022 and the 'Arihant' class *nuclear submarines* in 2016. Other completely indigenously built naval vehicle classes in the *surface fleet* include -

- *amphibs*: 'Magar,' 'Mk IV LCU,' and 'Shardul;'
- *destroyers*: 'Delhi,' 'Kolkata,' and 'Visakhapatnam;'
- *frigates*: 'Brahmaputra,' 'Nilgiri,' and 'Shivalik;'
- *corvettes*: 'Kamorta,' 'Khukri,' 'Kora,' and 'Veer;'
- *patrollers*: 'Bangaram,' 'Car Nicobar,' 'Saryu,' and 'Trinkat.'

Bilateral and multilateral *naval exercises* are carried out to demonstrate the Navy's commitment to international maritime security with friendly states (Sen, 2023). India connects its national interest with the ability to use the Indian Ocean freely and maintain peace and order in the IOR (Cordner, 2010). Due to the vast nature of the Indian Ocean, its potential to harbour power competition and security threats increases manifold (Ghosh, 2020). Hence, the Ocean's strategic importance cannot be neglected.

STOP TO CONSIDER

net security: "... the state of actual security available in an area, upon balancing prevailing threats, inherent risks and rising challenges in the maritime environment, against the ability to monitor, contain and counter all of these" (Indian Navy, 2015).

CHECK YOUR PROGRESS

Q.1: Which key choke points in the Indian Ocean Region (IOR) are significant for India?

Q.2: What percentage of India's crude oil imports and international trade volume depend on sea routes through the Indian Ocean?

Q.3: What is India's goal concerning security in the Indian Ocean Region (IOR), as outlined in its naval doctrine, and what does the Indian Navy recognise as its maritime area of interest (MAI)?

SELF ASKING QUESTION

How does the dependence of nations on the Indian Ocean for trade and energy resources impact the geopolitical dynamics and potential for conflict or cooperation in the Indian Ocean Region (IOR)?

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5.5 Political and Economic Dimensions of India's Engagement

India has actively participated in the IOR's regional economic integration initiatives; its presence in the Indian Ocean Rim Association (IORA) is a prime example (Haldar, 2024). Naidu (2013) writes that although India was initially sceptical of the potential of the IORA, which was formed in 1995, primarily owing to its prior experience with the deadlocked South Asian neighbourhood integration initiatives, like the South Asian Association for Regional Cooperation (SAARC) and the South Asian Free Trade Area (SAFTA), its importance was realised following difficulties faced by the World Trade Organisation (WTO) in stimulating international trade in the early 2000s and the growing necessity of more focussed regional arrangements. India now considers IORA an appropriate platform for discussing security

issues, including maritime piracy and terrorism. A share of credit for reinvigorating the IORA goes to India due to its persistent push for Asian multilateralism in the last three and a half decades (Naidu, 2013). According to Kanodia (2020), it is also seen as an economic forum that can encourage collective sustainable development. India believes that oceans can be used for the benefit of the international community and hence engages in blue diplomacy over opportunities to harness the Indian Ocean's resources, underwater energy, deep-sea minerals, and marine ecosystems. India's current premier blue diplomacy initiatives include -

- 'Sagar Mala' project: inaugurated in 2015 by the Ministry of Ports, Shipping, & Waterways (MoPSW), focusing primarily on port infrastructure and modernisation;
- National Maritime Foundation: established in 2005 as India's first think tank on maritime affairs;
- India Maritime Centre: resource centre for maritime industries, in operation since 2024, under the MoPSW's 'Maritime India Vision, 2030;' and
- Indian Ocean Ship (IOS) 'Sagar:' ship being planned to be deployed in the Indian Ocean in 2025, in partnership with and with support from the Comoros, Kenya, Madagascar, the Maldives, Mauritius, Mozambique, the Seychelles, Sri Lanka, and South Africa.

Initiatives like the Asia-Africa Growth Corridor (AAGC) have also seen India aim to develop connectivity among ports in the IOR along African and Asian coasts facing the Indian Ocean. Arrangements like the IORA and AAGC can potentially increase economic inter linkages among the Region's states (Cordner, 2010). The Asian Cooperation Dialogue (ACD) can be utilised as a platform for deliberations on the IOR, as it has the majority of Asian

states on the Indian Ocean littoral as members. Additionally, the SAARC, the Association of Southeast Asian Nations (ASEAN), of which India is a dialogue partner, and the Mekong-Ganga Cooperation (MGC) are key regional organisations with states directly interested in the Indian Ocean.

Engagements with the IOR also involve soft power and diplomatic outreach (Berlin, 2011). India had established historical and civilisational links with present-day states in the Region centuries ago and is currently tapping into the same's potential; moreover, the members of the Indian diaspora in those states act as India's cultural ambassadors for strengthening India's foreign relations (Naidu, 2013). 'Project Mausam,' launched in 2014, is India's flagship programme for culturally reaching out to the people and the Indian diaspora residing in different IOR nations. As India has historically commanded significant goodwill in the IOR, it has developed good relations with countries like Iran, Myanmar, Singapore, Sri Lanka, and Thailand (Berlin, 2011). To ensure good standing in its maritime neighbourhood, India also sends ships for *humanitarian assistance and disaster relief* (HADR) to *Small Island Developing States* (SIDS) in the Indian Ocean (Sen, 2023). Recent examples of HADR operations in the IOR include flood relief to Laos, Myanmar, and Vietnam under 'Operation Sadbhav' in 2024 and post-cyclone relief to Madagascar under 'Operation Vanilla' in 2020 (Dutta, 2025). States like Mauritius are particularly significant in this concern due to long-standing friendly relations, cooperation over security matters, and a large Indian diaspora (Seethi, 2025). It is important to note that India's support for the SIDS in the IOR is highly unilateral, as the former aims to establish its benevolence; the SIDS are expected to reciprocate by supporting India's stand in international fora on different issues (Halдар, 2024). India also provides technical, banking, and information technology (IT)

training under the Indian Technical and Economic Cooperation (ITEC) Programme to beneficiaries in various African nations (Naidu, 2013).

STOP TO CONSIDER

humanitarian assistance and disaster relief (HADR): the “... efforts that are aimed at saving lives, alleviating suffering, and maintaining and protecting human dignity during and in the aftermath of emergencies” (Hangzo, 2024).

Small Island Developing States (SIDS): “... a distinct group of 39 states and 18 associate members of United Nations regional commissions that face unique social, economic and environmental vulnerabilities” (Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, n.d.).

India has engaged institutional mechanisms to ensure cooperation over matters in the IOR. The Indian Ocean Naval Symposium (IONS), initiated in 2008, provides a platform for 24 regional navies to discuss and deliberate on maritime issues (Jaishankar, 2016). The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), established in 1997, is a grouping for economic collaboration among countries using the Indian Ocean indirectly or directly, partially or wholly, through the Bay of Bengal. The Information Fusion Centre - Indian Ocean Region (IFC-IOR) is a state-of-the-art nodal centre for *maritime domain awareness* (MDA) that was established in 2018 to increase vigilance in the Indian Ocean and to facilitate information sharing with 12 partner states (Ghosh, 2020). The 'Indo-Pacific Oceans Initiative' (IPOI) is a SAGAR-based internationally-adoptable voluntary regime, launched

by India in 2019, to ensure openness, growth, and inclusivity in the Indo-Pacific; it is in line with the 'ASEAN Outlook on the Indo-Pacific' (AOIP). The Colombo Security Conclave (CSC) was established in 2020 jointly by India, the Maldives, and Sri Lanka to improve capacity building in maritime activities in South Asia. The Quadrilateral Security Dialogue (Quad), arguably the most important of India's strategic maritime groupings, is an ambitious forum of Australia, India, Japan, and the US, formed in 2007 to ensure *freedom of navigation* (FON) in the Indo-Pacific. Further, India held the first 'MAHASAGAR' ('Maritime Heads for Active Security And Growth for All in the Region') session in 2025, bringing together the heads of the navies of Bangladesh, the Comoros, Kenya, Madagascar, the Maldives, Mauritius, Mozambique, the Seychelles, Sri Lanka, and Tanzania, to internationalise the 'SAGAR' initiative.

The Indian governmental institutions that engage with the IOR include the Ministry of External Affairs (MEA), the Ministry of Culture, the Ministry of Defence (MoD), the MoPSW, the India Navy, and the Indian Coast Guard.

STOP TO CONSIDER

maritime domain awareness (MDA): “the effective understanding of anything associated with the maritime domain that could impact security, safety, the economy or the marine environment” (*Maritime Domain Awareness*, n.d.).

freedom of navigation (FON): the principle stating “... that all ships of all states, including both civilian and military vessels, enjoy the right of innocent passage through the territorial sea of other states” (Freund, 2017).

CHECK YOUR PROGRESS

Q.1: What is the primary purpose of India's 'Sagar Mala' project, and which ministry inaugurated it in 2015?

Q.2: What is 'Project Mausam' and what does it aim to achieve concerning India's engagement with the Indian Ocean Region (IOR)?

Q.3: What is the Quadrilateral Security Dialogue (Quad), and what is its primary objective in the 'Indo-Pacific'?

SELF ASKING QUESTION

How might India's blue diplomacy initiatives and its focus on the blue economy potentially impact the economic development and environmental sustainability of the Small Island Developing States (SIDS) in the Indian Ocean?

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5.6 Security and Strategic Challenges

In the bid to emerge as a significant power in the IOR, India faces the challenge of traditional strategic issues, primarily involving other states (Shouche, 2024). As noted by Brewster (2010), China has been increasing its influence and presence, especially with the introduction of its 'String of Pearls' strategy, which involves expanding investments in port architectures that fall within India's maritime interest areas and the expansion of naval operations in the Indian Ocean. India's strategic rivalry with China dates back to the 1962 Sino-Indian War. The rise of China in the Indian Ocean has become a concern for India, as an increased Chinese presence could

prolong this rivalry in the long run. China currently holds a substantially higher number of naval resources than India; the naval technology used by China is also of high quality. It is, however, essential to note that China does not have a coastline facing the Indian Ocean, leading to a lack of direct logistical access. India also remains concerned with the political volatility in its immediate maritime neighbourhood, i.e., Sri Lanka and the Maldives, owing to their proximity to critical SLOCs (Joshi, 2019). Sen (2023) notes that SLOCs are vital as they ensure the passage of trade and energy flows, and India seeks their uninterrupted functioning for its economic benefit. Even though Pakistan is not generally considered a naval competitor, with the proximity of its coastline to that of India, the history of conflict between the two states makes India sceptical of Pakistan's potential intentions in the IOR.

Non-traditional security challenges also exist in the Indian Ocean. One of them is *maritime piracy*; it is prevalent primarily in the western Indian Ocean, particularly in the Gulf of Aden, and is a threat to shipping routes off the eastern coast of Africa (Naidu, 2013). Another issue is *maritime terrorism*; tragic events like the 2008 Mumbai attacks have been executed in the past through the sea route (Kanodia, 2020). Criminal activities like the smuggling of illicit drugs and arms and the trafficking of humans further endanger security in the Indian Ocean (Jaishankar, 2016).

STOP TO CONSIDER

maritime piracy: "... the plundering, hijacking, or detention of a ship in international waters" (*Maritime Piracy*, n.d.).

maritime terrorism: "... the undertaking of terrorist acts and activities (1) within the maritime environment, (2) using or against vessels or fixed platforms at sea or in port, or against any one of their passengers or personnel, (3) against coastal facilities or

settlements, including tourist resorts, port areas and port towns or cities” (Quentin, 2003).

Baruah (2021) states that marine ecosystems suffer deeply due to *illegal, unreported, and unregulated (IUU) fishing*; such practices also affect the economies that invest heavily in fisheries. Climate change has contributed to rising sea levels; certain small island states are at risk of being submerged in water in the future. Although India's mainland is a vast landmass that is not at risk of submersion soon, certain island territories do not lie much above sea level (“India’s sinking islands,” 2023).

STOP TO CONSIDER

illegal, unreported, and unregulated (IUU) fishing: “... includes illegal activities like fishing without a license or using prohibited gear, unreported catches that bypass official records and unregulated fishing without management strategies like fishing beyond the maximum sustainable yield or neglecting fishing seasons” (Global Programme Sustainable Fisheries and Aquaculture, 2025).

To address challenges, traditional or non-traditional, India resorts to stringent *maritime governance* measures, *sea power* projection, surveillance, patrolling, and multilateral cooperation (Jaishankar, 2016; Joshi, 2019; Kanodia, 2020).

STOP TO CONSIDER

maritime governance: “... encapsulates maritime sectors' strategic management and regulatory oversight, including port and vessel operations. It entails formulating and enforcing policies, allocating resources, and supervising maritime activities to ensure safety, security, efficiency, and environmental sustainability” (*Maritime Governance*, n.d.).

sea power: the "... means by which a nation extends its military power onto the seas. Measured in terms of a nation's capacity to use the seas in defiance of rivals and competitors, it consists of such diverse elements as combat craft and weapons, auxiliary craft, commercial shipping, bases, and trained personnel" ("Sea Power," 2016).

Brewster (2010) observes that power rivalries in the Indian Ocean have existed since colonial times; in the present, with the growing importance of the IOR, these rivalries have only increased. Owing to these, India often finds it complicated to assert itself as a significant regional entity and maintain a stable maritime environment. One of the significant powers interested in the IOR is the US; it has established military bases in the British Indian Ocean Territory (BIOT) and naval facilities in Singapore and West Asia. Even though the US's pronounced maritime strategy has encouraged India's increased role in the IOR, it has sometimes shown interests that do not align with India's. The US has also had a military relationship with Pakistan in the past that helped the latter in its activities against India. As discussed earlier, China's interest in the Region has increased manifold of late, and it has invested in infrastructure in numerous IOR states under its 'Belt & Road Initiative' (BRI); India views the same as part of China's 'String of Pearls' strategy (Seethi, 2025). States like Australia, France, and the UK are also interested in the IOR and maintain strategic relations with littoral states that are friendly to them (Berlin, 2006). Although the Soviet Union did have strategic interests in the Indian Ocean, it was after a long break that its largest successor state, Russia, started negotiating with the power dynamics as a relatively new player in the Region (Srivastava, 2017).

Specific frameworks and arrangements exist that aim to regulate affairs in the *high seas*; they apply to the Indian Ocean as well. Ghosh (2020) suggests that the United Nations Convention on the Law of the Sea (UNCLOS), adopted in 1982, is the most prominent among them, as it concerns *exclusive economic zones* (EEZs) and navigational freedom. China, however, has often interpreted the UNCLOS in arbitrary terms to justify its irredentist claims beyond its legally recognised maritime borders. The International Tribunal for the Law of the Sea (ITLOS), effective since 1994, deliberates on all disputes related to the UNCLOS. The International Maritime Organisation (IMO), a specialised agency of the United Nations (UN) established in 1948, is the “global standard-setting authority for the safety, security and environmental performance of international shipping” (*Introduction to IMO*, n.d.). The IORA was also established to ensure cooperation in the IOR and establish multilateral maritime governance principles (Naidu, 2013). Regional arrangements for specific purposes also exist, such as the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP), which came into force in 2006 as a collective response against maritime piracy; a similar anti-piracy regime, of which India is also an observer, is the Djibouti Code of Conduct (DCoC). India strongly supports international norms and customs concerning oceanic affairs (Kanodia, 2020). It also pushes for enhanced international cooperation in domain awareness and information sharing (Ghosh, 2020). Consequently, India has been an observer of the Indian Ocean Commission (COI) on the western Indian Ocean since 2020. It is important to note that international frameworks that mandate transparency about *dual-use* facilities and military activities in and along the oceans are sparse; in such a situation, India could have difficulty decoding the intentions of state

actors who wish to expand their influence in the IOR (Jaishankar, 2016).

STOP TO CONSIDER

high seas: “the open part of a sea or ocean especially outside territorial waters” (MW, n.d.-i).

exclusive economic zone (EEZ): “the area of sea and seabed extending from the shore of a country claiming exclusive rights to it” (MW, n.d.-g).

dual-use: the “... technologies and units ... that can be deployed for military as well as civil uses” (Italian Navy, n.d.).

CHECK YOUR PROGRESS

Q.1: What is China's 'String of Pearls' strategy, and how does it relate to India's maritime interests?

Q.2: Besides traditional interstate issues, what are some examples of non-traditional security challenges in the Indian Ocean?

Q.3: What is the United Nations Convention on the Law of the Sea (UNCLOS), and how is China's interpretation of it a challenge?

SELF ASKING QUESTION

How do the historical power rivalries in the Indian Ocean potentially shape the future dynamics of cooperation or conflict in the Indian Ocean Region (IOR), especially considering the involvement of multiple major powers like the United States, China, and others?

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5.7 Contemporary Issues and Future Prospects

As seen above, many issues concerning India's engagement with the IOR have arisen. There have been attempts to link IOR with a broader 'Indo-Pacific' construct; such an outlook helps states like Australia, Japan, and the US imagine the Indian and Pacific Oceans as an integrated space for strategic purposes and convenience (Sen, 2023). With the increase in the number of players in the IOR, maritime security has become the most crucial aspect of geopolitical competition; the race for the governance of large areas of the Indian Ocean could lead to conflicts in the sharing of marine resources (Halдар, 2024). With time, naval and surveillance technology have also seen numerous advancements; new technologies incorporate artificial intelligence (AI) and automation (Venkatshamy, 2013). Non-traditional challenges, like climate change and maritime terrorism, are also rising in the IOR (Naidu, 2013). These cannot be tackled without coordinated responses by multiple states. Further, the competition between major powers in the Indian Ocean has uncertain prospects for the smaller littoral states (Cordner, 2010).

India has tried to adapt strategically to these emerging and current challenges. In recent years, India has expanded its military capabilities to strengthen the Indian Navy (Chatterjee Miller & Harris, 2024). India has tried to partner with states like Australia, France, Japan, the US, and IOR's island states to counter China's influence through strategic pacts and non-political initiatives (Berlin, 2006). Efforts are underway on India's part to establish itself as the net security provider in the Indian Ocean through humanitarian assistance, disaster relief, and rescue operations and the initiation of joint naval exercises with friendly navies (Sen, 2023). India's current major maritime and naval exercises and *coordinated patrols* (CORPATs), as identified by Halдар (2025), include -

- Africa India Key Maritime Engagement: multilateral naval exercise with African states;
- Konkan Maritime Exercise: bilateral naval exercise with the UK;
- Malabar Naval Exercise: coordinated naval exercise with Australia, Japan, and the US;
- IONS Working Group Exercise: multilateral naval exercise with IONS member states;
- Exercise Milan: multilateral naval exercise with around 50 littoral states of the Indo-Pacific;
- Exercise Kakadu: multilateral naval exercise organised by Australia;
- Exercise Komodo: multilateral naval exercise organised by Indonesia;
- India-ASEAN Maritime Exercise: joint naval exercise with ASEAN member states;
- India-EU Joint Naval Exercise: joint naval exercise with EU member states;
- India-UAE Bilateral Naval Maritime Partnership Exercise: bilateral naval exercise with the United Arab Emirates (UAE);
- IN-VPN Bilateral Exercise: bilateral exercise with Vietnam;
- Exercise Ekatha: bilateral naval exercise with the Maldives;
- Exercise Bongosagar: bilateral naval exercise with Bangladesh;
- Exercise Indra Navy: bilateral naval exercise with Russia;

- Exercise Naseem-Al-Bahr: bilateral naval exercise with Oman;
- Exercise SamudraLaksamana: bilateral naval exercise with Malaysia;
- Exercise Samudra Shakti: bilateral naval exercise with Indonesia;
- Exercise Varuna: bilateral naval exercise with France.
- Exercise Za'ir-Al-Bahr: bilateral naval exercise with Qatar;
- AUSINDEX: bilateral naval exercise with Australia;
- JIMEX: bilateral naval exercise with Japan;
- SIMBEX: bilateral naval exercise with Singapore;
- SLINEX: bilateral naval exercise with Sri Lanka;
- India-Bangladesh CORPAT: bilateral coordinated patrol with Bangladesh;
- IND-INDO CORPAT: bilateral coordinated patrol with Indonesia;
- India-Thailand CORPAT: bilateral coordinated patrol with Thailand.

India has also developed cooperative security partnerships with states like Indonesia and South Africa (Brewster, 2010). It has announced that it seeks to navigate the power dynamics in the IOR through “cooperation” and “inclusivity,” efforts at keeping the IORA active and pursuing its SAGAR initiative indicate that India's desire for naval dominance is not through overt strategies (Halдар, 2024).

CHECK YOUR PROGRESS

Q.1: What are some of the contemporary issues facing India's engagement with the Indian Ocean Region (IOR)?

Q.2: What strategies has India employed to adapt to the emerging and current challenges in the Indian Ocean Region (IOR)?

Q.3: What does India's pursuit of the 'SAGAR' ('Security And Growth for All in the Region') initiative and its emphasis on "cooperation" and "inclusivity" indicate about its approach to naval dominance in the Indian Ocean Region (IOR)?

SELF ASKING QUESTION

How might the increasing use of artificial intelligence (AI) and automation in naval and surveillance technologies in the Indian Ocean Region (IOR) impact the balance of power and the potential for both conflict and cooperation among regional and extra-regional actors?

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5.8 Summing Up

India has engaged with the IOR for centuries; its outlook towards the Region is influenced by the legacy of historical cultural, military, strategic, and commercial exchanges. The indispensability of the Indian Ocean for its economic and geopolitical importance is well noted for India's developmental and security considerations. Evolving from the 'continental obsession' of its immediate post-independence days, India has been progressively increasing its

awareness concerning the affairs in the IOR (Dutta & Dutta Choudhury, 2024). However, threats and challenges exist to India's rise in the Region. These include the bid for expansion of influence in the Indian Ocean by other powers, especially China, and also non-traditional threats like climate change and maritime piracy.

The IOR has become a vital thrust area for Indian foreign policy in recent decades. The engagement has been multi-faceted, incorporating cultural, economic, political, and strategic dimensions. India's considerations, manifested in the form of regional outreach towards states on the Indian Ocean littoral and the negotiations with powers from outside the region, are driven by its desire to become the IOR's net security provider. However, although cooperation with powers like the US could help India uplift its standing in the Indian Ocean, there is always a risk that India may lose its strategic autonomy in favour of collective multilateral efforts (Chatterjee Miller & Harris, 2024). India claims its primary objective in the IOR is to increase sustainable development through cooperation and coordination with all stakeholders; hence, it has tried to align its diplomatic efforts and resources accordingly. Overall, it can be argued that the Indian Ocean is no longer a secondary interest area for India but a central foreign policy focal point; the region is currently an essential space where India could potentially increase influence and seek the prime pacifier and stabiliser status.

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BLOCK- II
THEMES IN INDIA’S NEIGHBOURHOOD
FIRST POLICY

Unit 1: India and its “Extended Neighbourhood”

Unit 2: India’s Act East Policy

Unit 3: India and its Neighbours: The Role of Multilateral Frameworks

Unit 4: India and its Neighbours: Connectivity and Infrastructure Projects

Unit 5: India and its Neighbours: Global Warming and Climate Change

UNIT: 1
INDIA AND ITS “EXTENDED NEIGHBOURHOOD”

Unit Structure:

- 1.1 Introduction
- 1.2 Objectives
- 1.3 India and Central Asia
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 - 1.4.1 Geo-Strategic Importance
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1.1 Introduction

While India is projecting itself as a ‘Viswaguru’ in near future, its foreign policy necessitates a closer focus on its immediate neighbourhood as well as extended neighbourhood. India’s

geographical size and reach results in its broad extended neighbourhood. Besides, the increased demand of Energy as well as growing security threat compels India to focus on its extended neighbourhood. Extended Neighborhood is defined in geographical terms. It includes both the landed and maritime areas that are close to India's near or immediate neighborhood as well as distant locations connected by economic and developmental interests and having strategic ramifications for Indian security and interests. It comprises countries of the Indian Ocean region including the East African seaboard, Southeast Asia, Central Asia, and West Asia, especially the Gulf and Iranian plateau. This expanded involvement coincides with a decline in New Delhi's relations with its immediate neighbors, including Bangladesh, Nepal, China, Pakistan, and, to a lesser degree, the Maldives. It is important to mention here that, India's economy is growing and thus its population. Therefore, it requires more natural resources and energy to maintain its status of emerging power at the international level. Besides, the way China is expanding its footprints in the Indian Ocean region and other parts of the world, India requires to strengthen its security ties. Consequently, India needs to focus on its extended neighborhood along with its immediate neighborhood.

Beyond our immediate South Asian neighborhood, India's extended neighborhood has additional relevance at this specific moment as the nation's strategic and economic interests become more intertwined with the greater Asian hemisphere. Although our immediate neighborhood, South Asia, is still crucial to our national interests, India is now much more integrated into the complex web of trade, investment, and strategic concerns that are essential to growing engagement with its immediate neighborhood. This is due to India's expanding economy, growing diplomatic profile, and multifaceted interests in the larger ambient region. In pursuit of its

national interest India is now looking not only to East but also looking in to north, west, and south, all within the boundaries of its larger neighborhood and beyond.

India's 'extended neighbourhood' is a well-crafted policy. The purpose behind this policy is to build partnerships and avoid traps of regional rivalries and political conflicts. Relations were notable under the previous UPA government of Prime Minister Manmohan Singh; they have gained new scope under PM Modi led NDA government.

Although the phrase "extended neighborhood" has gained significant attention in the last decade when describing India's foreign policy objectives, the idea has been quietly influencing Indian foreign policy since the country's independence. Philosophically, the term extended neighbourhood is intrinsically linked with the ancient Vedic ideal of "vasudaivakutumbakam," which holds that the whole world is one big family. The ethos of vasundaivakutumbakam was perhaps one of the earliest enunciations of the globalist view of foreign affairs with the view that, development in one region has its direct or indirect impact in other regions.

1.2 Objectives

The objective of this chapter is as follows—

- *analyse* India's extended neighbourhood policies;
- *examine* the major challenges before India's extended neighbourhood policies;
- *understand* what extended Neighbourhood is.

1.3 India and Central Asia

The Central Asian Region (CAR) is considered to be the world's one of the important regions boosted with mineral resources like natural gas, oil reserves, and uranium ore. The Central Asia is traditionally accepted as India's extended neighbourhood. India has made a determined effort to reconnect with this extended neighbourhood, through a new framework that emphasized economic relations and energy diplomacy rather than the traditional notion of third world solidarity through the non-aligned movement (Sengupta, 2011).

1.3.1 Geographical Background:

The Central Asia region (CAR) is mainly consists of five republics of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. These states have become independent entities with the Soviet disintegration in 1991. The Central Asia region has a total area of about 4 million square kilometers, which is considerably larger than India. But their combined population is just 77 million (The Astana Times, 2024).

1.3.2 Society and Politics:

There are mainly five largest ethnic groups in Central Asia, i.e., the Uzbek, Kazakh, Tajik, Turkmen, and Kyrgyz. All these groups speak languages related to Turkish except for the Tajik, who speak a language related to Persian. The Central Asian countries endured more than a century of Tsarist Russian and then Soviet rule. As a result large numbers of Russians and Ukrainians give it a distinctive multiethnic character to its population. The dominant religion of this region is Islam.

The political systems of these five countries are dominated by a strong Presidency. The legislature and judiciary is weak. Democracy has not yet taken root in this region; the press and political opposition are largely ineffectual.

1.3.3 Economy:

Central Asia's economy is based on Agriculture, oil and Natural gas. A long series of crisis has impacted on the economies of this region. However, the region is a producer and exporter of oil, natural gases, and agricultural products like cotton, wool, meat, animal skins and leather goods. A considerable deposit of minerals such as uranium, gold, silver, iron ore, coal, copper, zinc, lead, manganese are also found in the region. The region under Soviet Union has witnessed a remarkable growth in its socio-economic aspect although the economic system was centralised and closely linked to the mainland Russia. The problem arisen with the disruption of these ties and the emigration of experienced and trained officials like managers, engineers, technicians and other professionals, who happens to be Russians. It is important to mention here that all these five countries of Central Asia can be regarded as transition economies. They are going through the difficult process of liberalisation and privatisation. They welcome external participation in the region in the form of investment, technology and skilled labour.

The region is projected by the World Bank to grow by 4.3% in 2024, down from 5.6% a year ago. Growth is forecast to rise to 5% in 2025, driven by a strong rebound in economic activity in Kazakhstan and resumed expansion of crude oil production.

1.3.4 Geo-Strategic Importance:

The Central Asia has a great significance in world politics due to its geo-strategic location. The region is situated at the crossroads of Russia, China, West Asia and Europe. Besides, due to its hydrocarbon and other mineral resources, the region is witnessing an intense rivalry for influence among important global and regional powers, namely, the United States, Russia, China, Turkey, Iran, India and Pakistan. This is often referred to as the “New Great Game”. Lack of an outlet to the sea makes these states vulnerable to intimidation from their neighbours, especially Russia, through which most of the existing trade and transit routes and oil pipelines pass. Search for alternative transit routes to minimize their dependence on Russia induces them to look towards their other neighbours. And the desire to reduce the influence of these neighbours, apart from the need of an economic and technological assistance, persuades these states to welcome the US and other Western powers

STOP TO CONSIDER:

In geopolitics, a Great Game is a reference to the build-up to a potential contest in a region where a clash of interests between two or more influential powers appears inevitable. The term was first used academically by Professor H W C Davis in 1926. It referred to the 19th-century Anglo-Russian rivalry in Central Asia. It was not just the confrontation but the strategy of establishing spheres of influence in the various sub-regions of Afghanistan and Central Asia by both Russia and Great Britain that subsequently became an established characteristic of the strategy of any Great Game.

The term ‘New Great Game’ refers to the competition among the great powers over Central Asia region. The region has become the

site of great power tussles over energy resources. The term is a reference to the 19th century “Great Game” when the Russian and British empires competed for influence in Central Asia. Today, a “New Great Game” appears to be taking place between Russia, China, United States of America and European Union for regional hegemony.

1.3.5 Security Concerns

The region faces multiple security threats owing to Terrorism, religious extremism and radicalization particularly of the youth in these countries, rise of Taliban, advent of Daesh and presence of Islamic movement in Uzbekistan (IMU), Hujb-ut-Tahtir (HuT) etc. Terrorism and religious extremism poses a serious threat to the nations in and around the region. This has affected a number of countries—India in Kashmir, Russia in Chechnya, China in Xinjiang and Uzbekistan and Kyrgyzstan in the Ferghana valley. On the other hand, Tajikistan endures a long drawn civil war between the government and Islamic militants. The Uzbek president Islam Karimov barely escaped an assassination attempt in February 1999. Osama bin Laden's Al-Qaeda has found refuge in Afghanistan during the Taliban rule. Many Islamic extremist groups are believed to use Pakistan as a training ground and safe haven. Therefore, following the September 11, 2001, terrorist attack in the United States, CAR nations has joined the United States' Global War on Terror (GWOT).

1.3.6 India's Policy towards Central Asia:

India has several linkages with Central Asia in terms of history, culture and civilization since millennia. From third Century BC to 15 Century AD, the Silk Road saw a thriving flow of ideas, trade

and thoughts from India (and China) to Central Asia and beyond. The road links via Kashmir, Afghanistan and Pakistan were primarily used for the trade and cultural transformation. It was through Silk Road the ideas of Buddhism have spread from India to Afghanistan, Central Asia and China. Alexander of Macedonia, Sufism, Kushan, Babar, Mughal are some examples of the close ties that have existed between India and the Central Asia throughout the history. Even when the Central Asia countries were part of Soviet Union, they had strong economic and cultural ties with India. However, after independence of those five countries from USSR in 1991, India has not been able to fully capitalize on its deep historical ties as it does not share a de facto land boundary with any of these nations(although it does share a de jure border with Tajikistan through Pakistan-Occupied Kashmir).Consequently, India couldn't build a strong economic, cultural, tourist link with CAR. Further, India faced hurdle for overland trade due to the denial of such facilities by Pakistan and war conditions that prevailed in Afghanistan. Hence, trade in CAR has been conducted through expensive and time consuming routes via Russia, China and Northern Europe. To overcome these barriers, India has made several initiatives which have been pipelined for many years. India finally made a breakthrough by getting access into two of the most noteworthy trading ports, the International North South Transport Corridor (INSTC) and the Chabahar port.

STOP TO CONSIDER

International North South Transport Corridor (INSTC):

The International North–South Transport Corridor is a multi-modal connectivity project that includes the rail, ship and road link for moving freight between India, Russia, Iran, Europe, and Central

Asia. INSTC was established in 12 September, 2000 in St. Petersburg by Iran, India and Russia. The prime objective of INSTC is to enhance connectivity and promote trade and economic cooperation among the major cities of these regions such as Mumbai, Moscow, Tehran, Baku, Bandar Abbas, Astrakhan, Bandar Anzali etc. It is designed to provide an alternative and shorter trade route between South Asia and Northern Europe. It joins the Indian Ocean and the Persian Gulf to the Caspian Sea via Iran and then is connected to St. Petersburg and North Europe via the Russian Federation. The INSTC was expanded to include eleven new members, namely: the Republic of Azerbaijan, Republic of Armenia, Republic of Kazakhstan, Kyrgyz Republic, Republic of Tajikistan, Republic of Turkey, Republic of Ukraine, Republic of Belarus, Oman, Syria, Bulgaria (Observer).

India assumes that developments in CAR are crucial for the security of India. Peace and Security in Central Asia is crucial for peace and security in India. Since the independence of these countries, India has made significant efforts to build a strong and robust relation with this region. For example, Prime Minister P. V. Narasimha Rao visited Kazakhstan and Uzbekistan in 1993 and Turkmenistan and Kyrgyzstan in 1995. This visit highlighted the shared secular values and brought attention to common threats including terrorism, religious fundamentalism, ethnic chauvinism, drug-funded violence, and crime, in addition to the agreements signed aimed at increasing Indian trade, investments, and development assistance to the region. Needless to mention here that India's involvement in the area was motivated by these common security concerns. However, in the next twenty years the Indian leadership had mostly neglected the area owing to its preoccupation with domestic issues, lack of a strong one party government at the Centre and its focus on

strengthening its relationship with big and strategic powers. From 1995 to 2015 there were only four visits from India to the region. In 2002, Prime Minister Atal Behari Vajpayee visited Kazakhstan for the CICA (Conference on Interaction and Confidence Building Measures in Asia) Summit followed by a half day bilateral visit, and in 2003 to Tajikistan. In 2006 PM Manmohan Singh visited Uzbekistan, and in 2011 visited Kazakhstan on his way back from Sanya, Hainan after the BRICS Summit.

We know that, India is a nation with an energy deficit. On the other hand Energy resources, along with other mineral and natural resources, are abundant in the CAR. In this context, Central Asia and India complement each other perfectly. The challenge here is to transporting the energy resources to India from these landlocked states. One attempt in this regard is the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline. It is important to mention here that, Kazakhstan has been supplying India with yellow cake for its nuclear power facilities since 2009. In addition, the region offers significant trade, investment and economic opportunities to Indian business. Hence, India should take proactive and firm measures in prospecting and exploiting economic potential in these countries through joint ventures, export of services, bidding for World Bank, ADB and other multilateral funded infrastructure projects etc.

➤ **Relationship After 2014**

The strategic, political, security and economic significance of this region was expanded after Modi becoming the PM of India. In just a little more than a year after becoming PM, he travelled to all five Central Asian countries in July 2015, the first Indian Prime Minister to do so, sending out a clear message about India's intent in expanding its ties with these countries. On the other hand, Central

Asian countries have also been searching for potential partners in the past ten years, especially in the areas of economics and security. Addressing terrorism and radicalization, stopping illegal trade, and looking into potential economic collaboration are all priorities for both parties. India's longstanding ties with this region has provided the perfect opportunity for both parties to capitalize on their current partnership and come up with new and innovative ideas to strengthen it.

Bilateral ties and engagement with these nations have significantly increased over the past years of PM Modi's leadership. The shifting dynamics of Central Asia's regional and global political, strategic and economic architecture provides an opportunity for India to diversify and deepen its partnership with these countries. Consequently, after 2015 visit, there has been an exchange at high levels at bi lateral and multi lateral forums.

The inception of the India-Central Asia Dialogue at Foreign Ministers' level has provided an impetus to India-Central Asia relations. Since 2019, the India-Central Asia Dialogue discussions have been held at the level of foreign ministers. Through these dialogues Leaders are expected to take forward India-Central Asia relations to newer heights. It also provides a common platform to exchange views on regional and international issues of interest, especially the evolving regional security situation. In December 2021, External Affairs Minister Jaisankar chaired the third India-Central Asia Dialogue Conference, which took place in New Delhi. They made the decision to increase their efforts in order to fully utilize the International INSTC and maximize the potential for trade between India and Central Asia. Besides, initiative was also made to outline a common regional approach on Afghanistan. The meeting focused on Afghanistan and stressed the crucial need for good and

efficient governance there ensuring the fundamental rights of women, children, and minority communities and to combat terrorism in all its forms and manifestations, including its financing, the dismantling of terrorist infrastructure and countering radicalization (Pradhan, 2023).

Apart from that, one of the major initiatives taken by the PM Modi was organizing the first India- Central Asia Summit on virtual mode on 27th January 2022. The President of the Republic of Kazakhstan H.E. Mr. Kassym-Jomart Tokayev, the President of the Kyrgyz Republic H.E. Mr. SadyrJaparov, the President of the Republic of Tajikistan H. E. Mr. Emomali Rahmon, the President Turkmenistan H.E. Mr. Gurbanguly Berdimuhamedoy and the President of the Republic of Uzbekistan H.E. Mr. Shavkat Mirziyoyev attended the first India-Central Asia summit. At the end of the meet, a comprehensive Joint Declaration, also called “the Delhi Declaration” of the Summit, was adopted by the leaders that enumerated their common vision for an enduring and comprehensive India-Central Asia partnership. This summit was crucial to develop the ties between India and the Central Asia. It has taken two major decisions among many. First, regarding Afghanistan, the leaders reaffirmed their unwavering support for a government that is inclusive, representative, and secure. Secondly, the leaders decided to use the Shahid Beheshti Terminal at the Chabahar Port to facilitate trade between India and the landlocked Central Asian nations. The summit also decided to institutionalize the Summit mechanism by agreeing to hold it every two years, create an India-Central Asia Secretariat in New Delhi, and to hold regular meetings of foreign ministers, trade ministers, culture ministers, and security council secretaries to lay the foundation for the summit meetings.

➤ Areas of Cooperation

Energy: India is the world's third largest country to consume energy. It imports three fourth of its petroleum needs. On the other hand, Central Asia exports its oil and gas. It along with Caspian Sea has emerged as an alternative source for supply of gas and oil. Turkmenistan, Uzbekistan, and Kazakhstan have the majority of Central Asia's oil and gas reserves. On the Kazakhstani side of the Caspian Sea, the Oil and Natural Gas Commission of India (ONGC) is getting ready to take part in oil prospecting in the Darkhan and Kurmangazi exploration blocks. Additionally, India is also wants to be present in the natural gas reserves of Kozhasai and Asibekmola. Turkmenistan has the world's fourth largest reservoir of Natural Gas. Hence, Turkmenistan is keen to construct a gas pipeline known as Turkmenistan-Afghanistan-Pakistan-India (TAPI) (from Afghanistan and Pakistan to India.

Both Tajikistan and Kyrgyzstan possess vast amounts of hydropower. India is seen as a potential source of funding and technology for Tajikistan and Kyrgyzstan's government's continuing initiative to build small and medium-sized hydel power plants, and more importantly, as a sizable market for hydel energy production.

STOP TO CONSIDER

TAPI: TAPI (Turkmenistan-Afghanistan-Pakistan-India) Project is an ambitious pipeline project for transporting natural gas from Turkmenistan's Galkynysh gas field to across Afghanistan, Pakistan, and India. It was initiated for the first time in 1995. An estimated 33 billion cubic meters (BCM) of natural gas will be delivered yearly via the pipeline. The project covers 1,814 kilometers route from Dauletabad in Turkmenistan through Herat, Helmand and Kandahar in Afghanistan to Quetta and Multan in

Pakistan and then on to Fazilka in India. TAPI pipeline also known as 'Peace Pipeline' will supply gas to Afghanistan (5%), Pakistan (47.5%), and India (47.5%) during its 30-year operational period. However, due to various reasons the construction of the pipeline has been delayed. The prior commitment of Turkmenistan gas reserves to Russia; difficulties in engaging with the regime in Ashgabat; security challenges associated with pipeline that will run through trouble torn Afghanistan and Pakistan; lack of financing to the gas project by international companies are some reasons that are responsible for the delay of the project.

Pharmaceuticals and Healthcare: Pharmaceuticals and healthcare is another key area of cooperation between India and Central Asia. India has a competitive edge in the global market in this field due to its efficiency and cost effectiveness. Aurobindo Pharma, Lupin Laboratories, Dr. Reddy's Labs, Ranbaxy, Claris Life Sciences, and Unique Laboratories are a few of the Indian companies that export pharmaceutical products to Central Asia. A few of these companies intend to establish manufacturing amenities in Central Asia. The pharmaceutical factory of the Kazakh-India joint venture Kazakhstan Pharma is in the process of completion in Almaty (Blank, 2004).

Agriculture: Agriculture is another area of cooperation between India and Central Asia. In July 2015, the Turkmenhimiya and Indian PSU Rashtriya Chemicals and Fertilizers Limited struck a significant agreement for the long-term sourcing of urea from Turkmenistan. India has proposed to set up a Urea production facility in Turkmenistan (MEA, 2015a). In the agriculture dependent, Kyrgyz Republic, there were discussions over knowledge sharing and joint efforts in agricultural research (MEA, 2015b). The Indian Council of Agricultural Research and Kaz Agro

Innovation have agreed a plan of action for agricultural cooperation (MEA, 2015c).

➤ **India's Connect Central Asia Policy:**

The 'Connect Central Asia Policy' (CCAP) of India is a broad based approach including political, security, economic and cultural dimension with the CAR. E. Ahmed, the then Minister of State for External Affairs, in a keynote address at the first meeting of the India-Central Asia Dialogue, a Track II initiative organised on 12-13 June, 2012 in Bishkek, Kyrgyzstan first outlined on the key elements of this policy. The policy aims to fast track India's relations with Central Asian Republics based on 4 Cs- Commerce, Connectivity, Consular and Community. The policy recommended for setting up universities, hospitals, and information technology (IT) centres, an e-network in telemedicine connecting India to the CARs, joint commercial ventures, improving air connectivity to boost trade and tourism, joint scientific research and strategic partnerships in defence and security affairs. During SM Krishna's visit to Tajikistan on 02-03 July 2012, the former Foreign Minister expounded the unfolding policy under the rubric of 'commerce, connectivity, consular and community' (Ibid). As part of connect Central Asia Policy, Mr. Modi's visited the five countries of the region after assuming power has put the heartland right in New Delhi's global focus.

CHECK YOUR PROGRESS

1. Delineate the relations between India and Central Asia.
2. Make an Assessment on India's economic relations with Central Asia.

1.4 India and West Asia

West Asia is one of the most unstable and conflict-prone region in the world. It includes Armenia, Azerbaijan, Bahrain, Cyprus, Georgia, Iraq, Jordan, Kuwait, Lebanon, Oman, Palestine, Qatar, Saudi Arabia, Syria, Turkey, United Arab Emirates and Yemen. The region is renowned for its varied topography, which includes coasts, mountains, and deserts. Numerous significant rivers, like the Tigris, Euphrates, Nile, and others, are also found there. The region is regarded as a land bridge which links three continents- Asia, Africa and Europe. It is called the gateway of Asia-Africa and the back door of Europe. In the past, the region has witnessed the emergence of three major religions, Islam, Christianity, and Judaism. It has also seen some of the greatest civilization of human history- Egyptian and Mesopotamian. The region saw high standards for achievement under Babylonian and Iranian Empires in ancient times, as well as the medieval Abbasid and Ottoman Empires. It is only after the decline of Ottoman Empire in the late 19th and early 20th century, the British could influence the region. Its significance has grown significantly since oil was discovered in this region. It has attracted the attention of both established and new major powers after oil was discovered in Iran in the beginning of the 20th century, followed by further significant discoveries around the Persian Gulf.

1.4.1 Geo-Strategic Importance

Geo strategically, West Asia is the world's most significant region. Due to its advantageous geographic position, West Asia has been the focus of nations and empires from ancient times as they have attempted to control the trade route to the east. The region holds importance in world politics as it is strategically located at the meeting point of the three continents of Asia, Europe, and Africa.

This region is situated between the north-western Indian Ocean coasts and the southern Mediterranean littoral, spanning from the Atlantic coast of North Africa to the western borders of Central Asia.

Due to its abundance of natural resources, the West Asia is the world's largest oil producing region, accounting for 34% of global production, 45% of crude oil exports, and 48% of oil proved reserves. Consequently all of the major powers are involved in the affairs of the region. West Asia has always been in the spotlight because of its energy, religion, and geographic proximity, as well as conflicts, wars, and their economies. The resource-rich region has drawn outside powers, including Europeans, Russians, Chinese, and Americans, especially since the discovery of oil at the beginning of the twentieth century.

1.4.2 Society and Politics

Islam is the predominant religion and identity in West Asia. The region also has a significant sectarian and ethno-cultural diversity. It has four major ethno-cultural groups namely the Turks, Persian, Arabs and Israelis. Turks and Persian are basically seen in Turkey and Iran. The Arabs are dispersed throughout more than 20 states in North Africa and West Asia. The Jewish state of Israel was established in 1948. Political tensions and violence are evidence in the region due to the existence of diversity. For example, *Sunnis* make up the majority in all Arab states, whereas Shias make up the majority in Iran, Iraq, and Bahrain. Besides, there are rivalries within the Arab world. There are in fact multiple fault-lines in West Asia. For example, Arab/Palestine versus Israel, Saudi/GCC versus Iran, Shia versus Sunni, US versus Russia, regional versus extra regional powers, and moderate vs. fundamentalist elements. These

fault lines resulted in intractable conflicts and large-scale volatility in the region.

1.4.3 War and Conflict in West Asia

The region has witnessed various war and conflicts. The Arab-Palestinian demand for independent statehood is the primary source of contention in the area. Israel, which accuses them of terrorism, opposes this demand. The Israel has the support of United States and the West. US military's presence in the region especially in the Islamic holy places has been resented by the Muslim Ummah by all over the world. Subsequently, US have withdrawn its military forces from Saudi Arab. Many believe that the lack of Israel-Palestinian negotiations and Arab defeats in the 1967 and 1973 conflicts are the main reasons why terrorism and religious extremism have increased in the area. Other reasons that have contributed to popular alienation in the region include population growth, socioeconomic stagnation, and the lack of mechanisms for public engagement in the majority of states. The continuing conflict between Palestine and Israel has deepens this tension and hopelessness.

West Asia has experienced a high level of political instability, government collapse, forcible regime change, and foreign interventions for almost thirty years. The end of cold war produced more conflicts and devastation in the region. First came the Gulf war in 1991 and Iraqi invasion of Kuwait. Yemen, Iraq, and Syria all continue to have extremely unstable internal security conditions. The regional powers and local outfits are all engaged in proxy war son sectarian and tribal/ethnic lines by providing funds and weapons to their preferred factions. Even the extra regional players such as USA and Russia also back the sectarian groups encouraging for internal conflicts and regime change.

Besides, there is also a sense of alienation and despair among vast majority of Arab population. Arab world has a large young population which is recognized as “Youth Bulge”. This young population expressed their dissatisfaction with the autocratic leadership, denial of fundamental liberties, poor governance, corruption and high level of unemployment, a lack of high-quality education and skills, as well as a high cost of living. This dissatisfaction has finally led to the political upheavals among the youth which came to be called as ‘Arab Spring’.

STOP TO CONSIDER

The Arab Spring was a wave of anti-government protests, uprisings, and armed rebellions that spread across much of the Arab world in early 2010s. The term "Arab Spring" was coined because the majority of these uprisings took place in the spring of 2011. It was a series of loosely related group of protests that led to changes of government in countries such as Tunisia, Egypt and Libya. When protests broke out in Tunisia in late 2010 and spread in other countries it was expected that, the Arab Spring will lead to the massive change of governments in the Arab world. However, not all of them were successful despite having popular support. Tunisia, Egypt and few more has seen regime change. Arab Spring did not bloom equally in other places; liberal democracy did not come to any one of the countries. Rather, authorities tried to crack down the protests using violent means and entire societies e.g. Libya, Syria, Iraq, Lebanon, Yemen seem to have regressed into political chaos and despotic rule.

1.4.4 India's Policy towards West Asia

India's "extended neighbourhood" includes West Asia. The region is significant to India due to its geographical proximity, historical and cultural ties, oil resources, Indian expatriate labor, security related issues, and economic interests. India has always had a multifaceted approach to its West Asia policy. During the Cold War period, India maintained extensive and close economic ties with Iran and Saudi Arabia, the opposing poles in regional geopolitics. As part of its attempts to broaden its diplomatic ties in the post-Soviet world, when India warmed up to Israel in the 1990s, it was cautious about not to jeopardize its long-standing ties with Muslim nations. Subsequently, the bi-directional strategy has been extended to a tri-directional foreign policy through accommodating Saudi Arabia, Iran, and Israel - the three main pillars of West Asia.

India's priorities in the region and a few of the most important security and economic concerns are discussed below,

Energy Security: India is the world's third largest user of energy. The West Asia region is home to 48 percent of world's oil reserves and supplies nearly 60% of India's total crude oil requirement. Among others, Saudi Arabia is top supplier. Uninterrupted supply of oil at reasonable price is crucial for India's economic strength in view of its profound reliance on imports from the region. Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates are the six nations that make up the Gulf Cooperation Council (GCC). They all have significant oil resources and have tremendous business prospects. Approximately 8.5 million Indians reside in the GCC, and they send billions of dollars home annually. Needless to mention here that, the economic reliance on oil has fueled conflicts both internal and external. For example, the Iraq-Kuwait conflict, which was motivated by oil control and led to a Gulf War.

Trade and Investment: India has considerable trade with West Asia. These business ties have been further strengthened by the liberalization of the Indian economy. Over 25% of India's international trade is with this region. Hydrocarbons make up the majority of imports, whereas the primary exports include textiles, non-basmati rice, wheat, and engineering and manufacturing items. The majority of India's overseas trade is conducted via the Suez Canal and the Persian Gulf. As a result, the nation depends on these routes being safe. West Asia is now a crucial component of India's westbound aviation service in the era of air travel and transportation. Iran is becoming a crucial transit country in our dealings with Central Asia. The Gulf remains a favorite trading partner for India. The trade figures have been constantly rising up particularly with countries like the Saudi Arabia, UAE and Iran. Besides, attracting Foreign Direct Investment from the cash rich Gulf region is also a priority for India.

Remittances: The Gulf area is home to about seven million Indian migrant laborers. Their annual remittance of US\$80 billion is the nation's largest source of foreign exchange earnings. India is the world's largest recipient of remittances. The UAE and Saudi Arabia are the main source countries for the remittances, which the Reserve Bank of India estimates accounted for an average of 27% of the total remittance inflows to India between 2006-07 and 2009-10. Hence, India prioritizes on the security, safety and well-being of its sizable Indian population. Any tension in the area or in India's relations with these nations would have negative consequences on both the Indian economy and these migrant workers. Furthermore, India must have backup plans ready to evacuate thousands of its citizens from the region in view of the violence and volatile political situation.

Military Cooperation: The growing threats of terrorism and Islamic fundamentalism have become the issue of major concerns for both India and the Gulf countries. To overcome such challenges India is focusing on strengthening its defence relation with the region. For example, India and nations like Oman and Arab Emirates are deepening their defence cooperation. Regular bilateral military drills are held between India and Oman, and Oman also offers refueling facilities to Indian ships and aircraft. One of the major achievements for India is that it has secured access to key strategic Port of Duqm in Oman in Arabian Sea for military use and logistical support. It has helped India to expand its footprint in the Indian Ocean region (IOR). Consequently, it will also help India to strengthen its maritime strategy to counter Chinese influence and activities in the region.

Palestine Issue: India's policy towards Palestine has been long standing and includes support for a negotiated two State solution, and the establishment of a sovereign, independent and viable State of Palestine within secure and recognized borders, living side by side in peace with Israel (MEA 2024). It has always supported for the creation of Palestine along with Israel. In fact India was the first non-Arab state to recognize the Palestine Liberation Organization (PLO) as —the sole legitimate representative of the Palestinian people. India permitted to open its office in New Delhi in January 1975. India even has reiterated its support for all efforts for a resolution in all issues including on the contentious issue of Jerusalem. During the recent ongoing crisis on Gaza, India shows its concern and provides humanitarian aid. Since the beginning of the conflict, India has provided around 70 MT of humanitarian aid, including 16.5 MT of medicines and medical supplies. It has also released \$ 10 million to United Nations Relief and Works Agency for Palestinian refugees in Near East (UNRWA). Even, in October

and November 2024, India has sent 65 tones of medicines to UNRWA and Palestine Ministry of health (MEA, 2024).

1.4.5 India's 'Look West' Policy

As stated above, West Asia is one of the major partners of India's extended neighbourhood for some obvious reasons of presence of huge Indian diaspora, energy supplies, security and trading lanes and abundant source of investments. Therefore, since independence India under the policy of non-alignment extended a hand of friendship to the countries of west Asia. India has been able to create a positive image among the Arab people for its consistent support to the Palestinian cause. To strengthen its historical and cultural ties with the region, India has adopted the "Look West" Policy in 2005. India's Look West Policy is a strategy to improve ties with Israel, Iran, and Arab countries. It seeks to strengthen cultural, political, and economic relations with these nations by improving collaboration in a number of areas, including technology, trade, energy, and security. Various bilateral engagements have also been initiated to combat the threats of terrorism and piracy. The policy also navigates complex regional dynamics and seeks to balance its traditional partnership with US and Russia.

Through the "Look West" policy, India must prioritize advancing free trade agreements with the Gulf Cooperation Council (GCC), resolving barriers to economic cooperation with Pakistan, and enhancing India's commercial standing in Africa.

STOP TO CONSIDER

Gulf Cooperation Council (GCC): The GCC was formed in 1981 through an agreement concluded on 25th May in Riyadh, Saudi Arabia among Bahrain, Oman, Kuwait, Qatar, Saudi Arabia and the

United Arab Emirates (UAE). It was established in light of the nations' similar political structures, which were founded on Islamic principles, geographic closeness, shared destiny, and common goals. Presently it encompasses a total area of 2,672,700 sq.km. And Arabic is its official language. It is basically a political and economic union of all Arab countries of Persian Gulf excluding Iraq.

The GCC Charter outlines the fundamental goals of the organization is coordination, integration, and interconnection among Member States in all areas, strengthening ties between their people, and developing similar regulations in a variety of fields, including economy, finance, trade, customs, tourism, legislation, and administration. It also aims for fostering scientific and technical advancements in industry, mining, agriculture, water and animal resources, establishing scientific research centers, establishing joint ventures, and promoting private sector cooperation It also calls for

1.4.6 Challenges

West Asia is crucial for India to strengthen its soft power. India's foreign policy is heavily influenced by its socio-cultural ties, energy imports, and labor supply in the Gulf. While Indian expatriates have made up a sizable fraction of the regional labor market, India has been mostly dependent on energy supplies from the region. It is indeed proved that both parties have been benefited from this partnership. However, this partnership is not that smooth as expected. It faces various challenges despite its continuous efforts in making a stable cooperation with the region. Political instability, Terrorism, Fundamental Extremism, internal and external rivalry in the region is some factors that pose challenges. The political scenario of the region has been continuously deteriorating since the

beginning of Arab spring. The Internal security situation in Yemen, Syria, and Iraq is also a major hurdle for India. Any conflict in the region, such as the Arab-Israeli war, Iran-Iraq war and Kuwait crisis, can disrupt oil supply and/or a price hike, imposing additional burden on the Indian economy. Besides, the rivalry between Saudi Arabia-Iran-Israel is also destabilizing West Asia thereby influencing the geopolitics of the region. Another major challenge before India is China's "One Belt One Road" (OBOR) initiatives. Through these initiatives, China has made swift inroads in the region by having acquired equity stakes in the region's upstream oil and gas sector and having successfully penetrated to Arab markets. Beside, India's "trust deficit" with Pakistan has harmed India from accelerating its economic interests in West Asia, including the bringing to fruition of the Iran-India-Pakistan (IPI) and Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline projects.

CHECK YOUR PROGRESS

1. Discuss India's relation with West Asia.
2. Evaluate India's 'Look West' Policy.
3. What are the major challenges behind India-West Asia Relation?

1.5 India and Southeast Asia

Southeast Asia region is comprised of eleven countries which are situated in the south of China and east of Indian subcontinent. The countries are Brunei, Cambodia, East Timor, Indonesia, Laos, Malaysia, Myanmar the Philippines, Singapore, Thailand and Vietnam. The Southeast Asian countries are part of ASEAN. The region is basically divided into two zones, - "mainland" and

“island”. Myanmar, Thailand, Laos, Cambodia, and Vietnam are all part of the mainland zone, which is basically an extension of Asia. Although there are Muslims in every country on the mainland, the largest concentrations are in western Burma (Arakan) and southern Thailand. Additionally, the Cham people of Cambodia and central Vietnam are Muslims. On the other hand, Malaysia, Singapore, Indonesia, the Philippines, Brunei, and the recently formed nation of East Timor (previously part of Indonesia) are all considered to be in island or maritime Southeast Asia. Islam is the state religion in Brunei and Malaysia. Buddhism is majority religion in Myanmar, Laos, Cambodia and Thailand. While Thailand, Indonesia, and other nations in the region share similar marine border with India, Myanmar shares a contiguous land and sea frontier with India. It goes without saying that they are close neighbours of India, with whom it has had a long history of interactions.

STOP TO CONSIDER

ASEAN: The Association of Southeast Asian Nations, or ASEAN, was established on 8 August 1967 in Bangkok, Thailand, with the signing of the ASEAN Declaration (Bangkok Declaration) by the Founding Fathers of ASEAN: Indonesia, Malaysia, Philippines, Singapore and Thailand. Brunei Darussalam joined ASEAN on 7 January 1984, followed by Viet Nam on 28 July 1995, Lao PDR and Myanmar on 23 July 1997, and Cambodia on 30 April 1999, making up what is today the ten Member States of ASEAN (Official website, ASEAN). The ASEAN was formed to accelerate the economic growth, social progress and cultural development in the region through joint endeavours in the spirit of equality and partnership in order to strengthen the foundation for a prosperous and peaceful community of Southeast Asian Nation. ASEAN is the

7th largest economy in the world and projected to grow as the 4th largest economy by 2050. It has the 3rd largest labor force in the world following China and India.

1.5.1 Geo-Strategic Importance

The South East Asia region plays a crucial role in global politics owing to its strategic location and profuse natural resources. The region is rich in producing agricultural products such as rice, sugarcane, maize, papaya, and banana. Timber and hardwoods are available everywhere in this region. Besides ninety percent of world's natural Rubber, fifty percent of tin, 75 percent of world copper, 55 percent of palm oil, and 20 percent of tungsten are produced in the region. Additionally, Philippines and Indonesia are rich in Gold mines; rubies are available in Cambodia and Myanmar. Indonesia, Vietnam, Malaysia, Myanmar has oil deposits. As a result, numerous powerful nations, including the US, China, and Japan, has attempted to exert influence over the region and its nations.

The region is crucial for Indo pacific region as it is located in the heart of the indo Pacific region. The future of the Indo-Pacific region depends on Southeast Asia, or the ten member nations of the Association of Southeast Asian Nations (ASEAN), which has 650 million people, a combined gross domestic product (GDP) of nearly US \$3 trillion. The region is home to some of the world's fastest-growing economies, that includes Indonesia, Vietnam, and the Philippines. The region has high rates of economic growth, a middle class that is predicted to double in the next ten years, nearly 400 million people under the age of 35, and with the ability to navigate the geopolitics obviously hold significance in the world politics. A rapidly evolving and increasingly contentious Indo-Pacific region

will be shaped in part by the decisions Southeast Asia is making on regional security, diplomacy, and economic and political integration.

1.5.2 India's relation with South East Asia

India's relationship with Southeast Asia is embedded in a strong historical tradition that dates back many centuries when Indian traders and scholars established cultural, religious and commercial links with the region. India places a high value on maintaining cordial neighbourhood ties with the countries of Southeast Asia.

India and the Southeast Asia region have similar history of colonization and decolonization. Indian policy towards the region is guided by resurrect close historical and cultural affinity with the region that were marred during the colonial period. Even the Cold War paradigm has prevented India to focus on number of bilateral relations. However, India maintained a close relation with South East Asian Countries during cold war period despite having policy of non-alignment. Since 1991, India's economic cooperation with the region has grown significantly. Indian diplomacy has pursued the "Look East" policy, which focuses primarily on strengthening India's existing connections with the ASEAN countries and developing trade, investment, tourist, and science and technology links. Numerous efforts have been made to rejuvenate India's strategic, cultural, and economic ties with the region.

India is a significant strategic player in Southeast Asia. India's presence in the region not only revives its historical connection between them but also provides a counter balance to China's growing influence in the region. India has strengthened its defense ties with Indonesia, and finalized an arms contract with Vietnam amidst intense regional diplomacy. The partnership involves

economic ties, maritime cooperation, and cultural reconnection. Even India's relations with Southeast Asia have evolved from Look East Policy to act east policy in recent times.

India began its formal engagement with ASEAN in 1992 as a "Sectoral Dialogue Partner" and subsequently as a "Dialogue Partner" in 1995. Initially the dialogues were entailed interaction at the Foreign Minister level which was later on upgraded to the Summit level in 2002. In October 2021, the leaders declared 2022 to be ASEAN-India Friendship Year, commemorating 30 years of ASEAN-India cooperation. India's engagement with the ASEAN has been driven by three goals: i) enhancing connectivity between India and ASEAN in the broadest sense of the term (i.e., physical, digital, business, people to people etc.); ii) strengthening the ASEAN organization; iii) expanding practical cooperation in the maritime domain. It is important to mention here that, there are all total 30 mechanisms between India and ASEAN in different areas.

➤ **India-ASEAN Free Trade Area:**

Signed in October 2003, the Framework Agreement on Comprehensive Economic Cooperation between ASEAN and India provided the legal foundation for the subsequent agreements that comprise the ASEAN-Indian Free Trade Area (AIFTA), which includes the Trade in Goods Agreement, the Trade in Services Agreement, and the Investment Agreement.

On January 1, 2010, the ASEAN-India Trade in Goods Agreement came into effect. India and the ASEAN Member States have committed to opening their respective markets by gradually lowering and doing away with taxes on goods that cover 76.4% of the market. In November 2014, the ASEAN-India Trade in Services Agreement was inked. It includes clauses pertaining to recognition,

market access, domestic regulation, transparency, national treatment and dispute resolution. In November 2014, the ASEAN-India Investment Agreement was also signed. The Investment Agreement calls for nondiscriminatory treatment in expropriation or nationalization, protection of investments to guarantee fair and equitable treatment for investors and fair compensation. Agriculture, fisheries, and forestry; services; mining and energy; science and technology; transportation and infrastructure; manufacturing; human resource development; and other sectors like handicrafts, small and medium-sized businesses (SMEs), competition policy, Mekong Basin Development, intellectual property rights, and government procurement are currently the areas of economic cooperation activities under the AIFTA.

Below are some other Areas of Cooperation:

➤ **Economic Cooperation:**

India is a significant trading partner with most of the countries of South East Asia region. ASEAN is the fourth largest trading partner of India with total trade reaching US\$110.4 billion in 2021-22. Singapore, Vietnam, Indonesia, Thailand, and Malaysia were India's top five regional trading partners in 2019. In 2021, India's trade with ASEAN is expected to reach \$78 billion, or almost 10% of its total trade. In the fifth ASEAN-India Trade in Goods Agreement (AITIGA) joint committee held in Jakarta gives emphasis on enhancing economic cooperation between the both.

➤ **Socio-Cultural Cooperation:**

India has shared cultural and historical links with some of the South East Asian countries which resulted on strong cultural ties among them. India and ASEAN have supported a number of cultural exchanges to improve people-to-people ties, including the ASEAN-

India Network of Think Tanks, training programs for ASEAN diplomats, and the ASEAN Students Exchange Program. One such initiative is Archaeological Survey of India (ASI) engagement in the restoration of the Angkor Wat and Ta Prohm temples in Cambodia

➤ **Regional Connectivity:**

Through initiatives like the Kaladan Multimodal Transit Transport project and the India-Myanmar-Thailand (IMT) trilateral highway, Mekong-India economic corridor (MIEC) that integrates India with Vietnam, Myanmar, Thailand, and Cambodia India is attempting to increase regional connectivity with ASEAN countries. Makong Ganga Cooperation is another initiative for improved communication along with other areas of cooperation. The launch of the "Sagarmala" project is a positive move in strengthening India-ASEAN maritime connectivity.

➤ **Defense and Security:**

One of the major areas of cooperation between India and ASEAN is security and defense. This cooperation has started during World War II. In contemporary times, both the parties focus on strengthening their defense and security cooperation. Through participation in the ASEAN Defense Ministers' Meeting Plus (ADMM+) and cooperative military exercises like the ASEAN-India Maritime Exercise, India and ASEAN have strengthened their defense ties. As part of its Indo-Pacific strategy for regional security and development, India also prioritizes ASEAN. India launched Security and Growth for All in the Region (SAGAR) doctrine to enhance maritime security. SAGAR acknowledges the role of the seas and the oceans in promoting sustainable economic growth in a

secured and stable environment. Another major initiative in this area is the Military exercise Garuda Shakti between India and Indonesia. Besides, The Bilateral Agreement for Navy Cooperation between Singapore and India permits logistical support for Indian Navy ships, including refueling at Changi Naval Base in Singapore.

➤ **Act East Policy:**

To enhance India's economic and strategic partnership, India launched Act East policy in 2014. It has acquired a bigger dimension than the Look East Policy launched in 1992. While Look East Policy focuses on the economic integration with the ASEAN countries, the Act East Policy focuses on the economic and strategic integration with the ASEAN and Pacific region. The purpose of the policy is to promote economic cooperation, cultural ties and develop a strategic relationship with countries in the Asia-Pacific region. It aims to achieve these goals through continuous engagement at bilateral, regional, and multilateral levels. It also gives importance to enhance connectivity to the states of North Eastern Region with other countries in the neighbourhood. Needless to mention here that, China's growing presence in the South China Sea and Indian Ocean and assertiveness in maritime territory of East Asia necessitates India's enhanced role in Asia-Pacific region. In pursuance of this, India has been engaged under the narrative of Indo-Pacific and informal grouping termed QUAD. While initiating the policy PM Modi highlighted in 4C's of the policy, i.e., Culture, Commerce, Connectivity and Capacity Building.

1.5.3 Challenges:

Although India focuses on enhancing its relationship with ASEAN, yet there are some challenges to it. The India- ASEAN relationship has not brought the fruit as expected in certain areas. For example, there are trade imbalances since the implementation of the free trade agreement in 2010 especially in areas like electronics and machinery. Similarly, there is a significant delay in implementing some flagship projects like India-Myanmar-Thailand Trilateral flagship though it have made progress in digital and cultural activities. India even faces trade deficit in ASEAN owing to asymmetric tariff reduction based on the ASEAN-India Free Trade Agreement; various non-tariff barriers (NTB's) employed by ASEAN countries that hinders India's export. Besides, China's growing strategic influence in the region also poses complex challenge for India-ASEAN relation.

CHECK YOUR PROGRESS

1. Define South East Asia and its geopolitical connections with India.
2. Discuss briefly the areas of cooperation between India and ASEAN.
3. Why Act East policy is important for India?
4. What do you mean by "Extended Neighbourhood"? Why India needs to focus on its "extended neighbourhood"?

1.6 Summing Up

After reading this unit you have learnt that Central Asia, West Asia and South East Asia are distinct regions with different dynamics. India has significant geographical, historical, cultural, political and

economic links with each region. Central Asia has become the scene of fierce competition between major global and regional powers for control and expansion. This is called "new great game" played by imperial Britain and Czarist Russia. It has also seen an increase in religious extremism and international terrorism, both of which have detrimental effects on India's defense.

The core of India's extended neighbor-hood policy is West Asia. India's presence and influence in the region is crucial for becoming a global player. India's reliance on oil imports and remittances from West Asia, particularly the Gulf nations is substantial. In the era of globalization and liberalization, India's expanding exports and the high levels of consumption in the nations, especially in the GCC, have opened up a world of opportunity for Indian business and industry in the region.

India has a long standing and deep rooted relationship with South East Asian region. Strong economic, strategic, and cultural linkages make Southeast Asia essential for India. Beside the region is a significant trading partner and a gateway to the Indo-Pacific region.

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UNIT: 2

INDIA'S ACT EAST POLICY

Unit Structure:

- 2.1 Introduction
- 2.2 Objectives
- 2.3 Background
- 2.4 The Look East Policy
- 2.5 From Phase One to Phase Two: From 'Looking' to Engaging East
- 2.6 The 'Act East' Policy
- 2.7 The Great Power Competition and China Factor
- 2.8 The Act East Policy and India's North-East
- 2.9 Challenges to Act East Policy
- 2.10 Summing Up
- 2.11 References and Suggested Readings

2.1 Introduction

India's Act East Policy is a strategic initiative aimed at enhancing economic, cultural, and security ties with the countries of Southeast Asia and the broader Indo-Pacific region. Introduced in 2014 under Prime Minister Narendra Modi, it builds upon and expands the earlier "Look East Policy" launched in the early 1990s. The shift from "Look East" to "Act East" in 2014 reflects India's commitment to playing a more proactive role in the region. Additionally, the policy seeks to foster people-to-people ties through cultural exchanges and tourism. By expanding its influence in the region, India aims to counterbalance China's growing presence and assert itself as a key player in the Asia-Pacific region.

2.2 Objectives

After going through this unit, you will be able to:

- *understand* the reasons behind the launch of the Look East Policy;
- *examine* the transformation from Look East to Act East Policy, including the shift from passive observation to active engagement with East Asia;
- *analyse* the evolving security architecture in the Indo-Pacific and the role of the Act East Policy under the Modi government;
- *recognize* the strategic importance of Northeast India in the context of the Act East Policy.

2.3 Background

The Act East Policy, introduced in 2014, or its predecessor, the Look East policy, may be relatively recent in India's foreign policy, but the country's involvement with East Asia dates back approximately 2500 years. India shares strong cultural and historical relations with the South Asian countries. The Indic religions, Buddhism and Hinduism, along with art, architecture, and language, have a strong influence in Southeast Asian countries. The relationship between India and Southeast Asia was most noticeable from 290 BC to the 15th century. The kings of India's northeastern coastal region maintained trade relations with Southeast Asian countries, such as Burma, Indonesia, and Cambodia, which led to cultural, social, economic, as well as religious exchanges between these two regions. Kingdoms formed in this region under the influence of Indianization were initially dominated by Hindu and Mahayana Buddhist populations. Examples include the Champa kingdom in Central

Vietnam, Sriwijayan in Sumatra, Funan and Khmer in Cambodia, Langkasuka in the Malay Peninsula, Medang, Majapahit and the Singhasari Kingdoms in Java, Bali, and the Philippines. Hinduism and Buddhism, as elements of Indian culture, have significantly influenced the languages, literature, culture, calendar, traditions, and belief systems of the civilisations that have developed in this region. The history of mainland India's connection with Southeast Asia has been narrated in Puranas. According to Ramayana, Ramachandra sent Sugriva's VanarSenato Yawadvipa, the Island of Java, in search of Sita. Numerous sources and folklore talk about the arrival of the merchant Brahmin Kaundinya from India and the subsequent marriage with the Naga princess Soma, leading to the establishment of the kingdom in present-day Cambodia. The great Hindu saga Ramayana is the national epic of Buddhist Thailand, which is called Ramkien. Every Thai monarch since 1782 has taken the name of Rama, and the great Siamese kingdom of Ayutthaya took its name from that of the holy king Rama's capital, Ayodhya. What is more surprising is that the very same Hindu saga is also the national epic of overwhelmingly Muslim Indonesia. With the advent of colonialism, the dynamic ties that characterised connections between India and East Asia in general and Southeast Asia in particular during the previous two millennia were severely shattered. The colonial authorities enforced a new relationship that fit their business needs rather than worry about other bonds. Back in the 1940s, one of India's early strategic analysts, the visionary K.M. Panikkar, recognised the significance of Southeast Asia. The importance of Southeast Asia was also acknowledged by Indian Prime Minister Jawaharlal Nehru, who saw it as a chance for India to establish strong political ties. Moreover, prior to official independence, Indian officials organised the Asian Relations Conference in New Delhi from March 23 to April 2, 1947, which included Egypt and 25 other Asian nations. At this conference, the

Asian nations expressed great enthusiasm for regional cooperation. A Special Conference on Indonesia in support of the Sukarno-led armed struggle was held in January 1949 by India, which helped mobilise global public opinion against the Dutch colonialists. Another significant move toward cooperation between Asian and African countries was made at the Bandung Conference in April 1955. The goal was to create a shared approach to the challenges faced by the newly independent countries and develop common policies. Besides this significant effort at regional unity, several other initiatives took place. India actively participated in various conferences to explore opportunities for such collaboration.

Despite the growing cooperation and India's commitment to promoting Asian solidarity during the anti-colonial struggles in the post-Second World War era, there was minimal collaboration among Asian nations. As a result, the momentum could not be sustained. The conflicts, tensions, mistrust, and concerns among the various East Asian nations, along with the rivalry for leadership between India and China, were the primary reasons behind India's unsuccessful efforts at fostering regional cooperation in Asia and Africa, especially in Southeast Asia. The Bandung Conference may be seen as a watershed in Indian history because Nehru was upset by the way President Sukarno and Chinese Premier Chou En-lai dictated the proceedings of the conference, which took place in Bandung, Indonesia, and consequently devalued the region's importance in India's foreign policy. Additionally, the Chinese invasion of the North Eastern Frontier Agency (NEFA) in northeastern India in 1962 and the accompanying shift in Indian strategy to strengthen its military might have hindered Jawaharlal Nehru's plan for Pan-Asian cooperation from becoming a reality. From that time until nearly the 1980s, India's connections with East Asian nations, especially those in Southeast Asia, were largely

frosty. While East Asia was experiencing remarkable economic growth, India found itself mired in issues like rising unemployment, widespread illiteracy, and poverty.

STOP TO CONSIDER:

Association of Southeast Asian Nations (ASEAN):

ASEAN, or the Association of Southeast Asian Nations, is a regional intergovernmental organisation established on August 8, 1967, by Indonesia, Malaysia, Singapore, Philippines, and Thailand. Today, it comprises ten member countries, including Brunei, Myanmar, Cambodia, Laos, and Vietnam. ASEAN aims to promote economic growth, social progress, and cultural development while fostering regional peace and stability in the Southeast Asian region through cooperation and mutual respect. Headquartered in Jakarta, Indonesia, the organisation engages with global powers through partnerships like the ASEAN-India Dialogue and ASEAN Plus frameworks, making it a crucial player in international affairs. The dialogue and collaboration include issues like trade, security, and environmental sustainability, making it a key player in Southeast Asian geopolitics.

2.4 The Look East Policy

The sudden end of the Cold War and the dissolution of the USSR in the early 1990s were two political and economic events that drastically altered international relations and marked the beginning of the globalisation era. As a result of globalisation, economies and society have become more intertwined, and both developed and developing nations face new opportunities and difficulties. For India, these global shifts coincided with a severe economic crisis,

which exposed the limitations of the existing socialist-oriented economic model, often referred to as the "license-permit Raj." Faced with dwindling foreign exchange reserves, mounting fiscal deficits, and sluggish growth, India had little choice but to embark on a series of structural reforms aimed at liberalising its economy. These reforms, introduced in 1991, focused on reducing state control, attracting foreign investment, and promoting private enterprise to drive economic expansion. One of the key pillars of India's economic transformation was enhancing trade and forging stronger regional partnerships. Recognising the shifting epicentre of global economic activity towards the Asia-Pacific region, India reoriented its foreign and economic policies eastward. This marked the beginning of its "Look East Policy," which sought to strengthen ties with rapidly growing economies in Southeast and East Asia. By engaging with dynamic markets such as ASEAN, China, Japan, Korea and other East Asian nations, India aimed to integrate itself into regional and global value chains, boost exports, and leverage foreign investments to fuel its growth. Indian policymakers were further encouraged to see the East as a potential location for conducting business after the Asian Tigers and ASEAN emerged as Asia's top economies. In short, two major reasons responsible for launching India's Look East Policy are the collapse of the Soviet Union and the Balance of Payment crisis. The main aim of this liberal economic reform was to integrate the Indian economy with the global economy. Initially, the policy encountered limited success, as India's economic capabilities were relatively modest compared to larger economies such as China, the USA, and the UK. Furthermore, the transition from a state-led to a market-oriented economic development strategy was gradual and sluggish. However, despite this, the relationship with the East Asian countries, particularly with the ASEAN group, developed steadily. The initial focus of the Look East policy was on establishing trade and

economic linkages with Southeast Asian countries. To achieve this aim, it went ahead to foster greater trade and economic linkages with ASEAN countries. During this period, India successfully established a range of institutional mechanisms with the regional organisation. In March 1993, India became a sectoral dialogue partner of ASEAN, focusing on three key areas: trade, investment, and tourism. The relationship between India and ASEAN was elevated to a full Dialogue Partner status at the fifth ASEAN Summit in Bangkok in December 1995 and further upgraded to a Summit-level partnership in 2002.

2.5 From Phase One to Phase Two: From ‘Looking’ to Engaging East

Several scholars and policymakers pointed out that India’s Look East policy evolved in two distinct phases. The first phase, during the 1990s, was primarily focused on expanding trade and investment ties with Southeast Asia. In the 2000s, the policy entered a second phase, marked by deeper and more institutionalised engagement across a broader spectrum of issues. A key milestone in this transition was the establishment of the ASEAN-India summit-level partnership in 2002. This was further reinforced at the 2003 Bali Summit by signing three significant agreements: a Framework Agreement on Comprehensive Economic Cooperation, a Joint Declaration on Cooperation in Combatting International Terrorism, and India’s accession to ASEAN’s Treaty of Amity and Cooperation. These agreements signify India’s growing commitment to ASEAN, extending beyond economic cooperation to security and political collaboration, thereby strengthening its regional presence.

The changing perception of the foreign public about India also backed this shift from the first phase to the second phase. In this period, India’s economy entered a high-growth rate phase.

Moreover, the rising security concerns in East Asia—due to political instability, territorial disputes, uncertainty over U.S. commitments, and growing Chinese might in the region—created a regional imbalance. At this juncture, ASEAN increasingly viewed nuclear-armed India both as an economic opportunity and a stabilising force, given its growing economy and strong military presence. In this second phase, India began engaging more actively with East Asian countries rather than merely observing. Notably, this phase expanded the Look East policy beyond India’s relations with ASEAN countries, as India’s increasingly close ties with Japan, Australia, and the USA in this region have altered the geopolitical dynamics.

Self-Asking Question

What were the conditions that necessitated the launch of the Look East policy? Discuss. (100 words)

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2.6 The ‘Act East’ Policy

The Act East policy, formally announced by Indian Prime Minister Narendra Modi in 2014 during the 12th ASEAN-India Summit and East Asia Summit in Myanmar, marked the beginning of a new era in India’s approach to engaging more actively with East Asian countries. Scholars often refer to these changes as the beginning of the third phase of India’s Look East Policy. By unveiling this policy change, PM Modi commented that “this policy change is a reflection of the priority that we (India) give to this region”. However, it should be noted that this policy is an extension of the "Look East" policy rather than its replacement. The objective seems to be to

broaden the scope of the new policy by including new aspects and factors that can, on the one hand, reinforce weak ties and, on the other hand, further deepen India's relations with East Asia. It is clear that India's rapidly growing economic size and strategic interests have made it necessary. The shift reflected India's aspiration to become a key player in the Indo-Pacific region, counterbalance China's growing influence, and capitalise on the rising geopolitical importance of Southeast and East Asia.

India's Act East policy encompasses a broad spectrum of institutional, economic, political, and security engagements. At its core, this policy focuses on enhancing ties with ASEAN, exploring energy resources, and pursuing maritime ambitions. India's growing involvement with ASEAN-centric multilateral frameworks is a key element of this approach. The country actively participates in platforms such as the East Asia Summit (EAS), the ASEAN Regional Forum (ARF), and the ASEAN Defence Ministers' Meeting Plus (ADMM+), which have become central to its engagement with the region. At the same time, as part of its expanding presence in East Asia, India has established strategic partnerships with major regional powers, including China, Japan, and South Korea, as well as with ASEAN itself. India's former Foreign Minister, the late Sushma Swaraj, prioritised three 'C' formulas to improve India's relationship with East Asia in general and ASEAN countries in particular. These three Cs include Commerce, Culture, and Connectivity.

The first notable aspect is India's commercial ties with East Asian countries. This region is undergoing substantial transformations, marked by its rapidly increasing economic influence on the global stage. The increasing regional economic cooperation in East Asia is fostering deeper integration, making this area increasingly important for India's economic and strategic interests. Therefore, strengthening

partnerships and enhancing trade relations with East Asia is crucial for India's long-term growth and stability. Until the financial year 2023, India was the seventh-largest trading partner of ASEAN, while ASEAN held the position of India's fourth-largest trading partner. Significant advancements have been made between India and Southeast Asia since the signing of the Free Trade Agreement (FTA). In the financial year 2023, trade between the two reached US\$ 122 billion, a remarkable increase from just US\$ 9 billion in 2002. However, challenges related to trade imbalances continue to affect this relationship. India currently faces a significant trade deficit with the ASEAN countries, which reached US\$44 billion in FY23, rising from US\$7.5 billion in FY11. The Indian side wanted to reevaluate the existing Free Trade Agreement with ASEAN to enhance access and export opportunities for Indian companies. In line with this demand, Ongoing discussions regarding the FTA aim to address these trade imbalances and adjust tariffs to facilitate better access for Indian exports in the ASEAN market. Apart from the ASEAN group, India is also actively cooperating with other countries in East Asia, including Japan, Korea and China. For instance, in 2014, Japan announced to invest nearly US\$ 35 billion in developing India's infrastructure in the next five years. More than that, Japan is also currently one of our close partners in developing the northeast part of India, a topic that we will explore in greater detail later in this chapter. Moreover, at the initial stage of his term, Prime Minister Modi also tried to revamp India's ties with its Asian neighbour, China, but the China-India Galwan Valley border clash of 2020 somehow derailed this relationship to some extent.

STOP TO CONSIDER:

Free Trade Agreement (FTA) and India-ASEAN FTA:

A Free Trade Agreement (FTA) is a pact between two or more

countries designed to reduce or eliminate trade barriers, such as tariffs and quotas, to facilitate the exchange of goods and services. FTAs aim to promote economic integration, boost trade volumes, and enhance market access for the participating nations. Unlike broader trade arrangements, FTAs typically focus on liberalising trade in goods and, in some cases, services and investments while allowing each country to maintain its own trade policies with non-member nations.

The India-ASEAN FTA, signed in 2009 and implemented in 2010, is a key example. It involves India and the 10-member Association of Southeast Asian Nations (ASEAN)—Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam. This agreement focuses on liberalising trade in goods, reducing tariffs on over 90% of traded items, and promoting economic integration. It has boosted India-ASEAN trade, reaching over \$80 billion annually by recent estimates, though India faces a trade deficit due to higher imports.

The second component of India's Act East Policy is the cultivation of cultural connections, which plays a crucial role in enhancing ties with Southeast Asia by leveraging shared historical and civilisational links. Important initiatives include promoting Buddhist heritage through organisations such as the International Buddhist Confederation and the revival of Nalanda University, which highlight India's proactive role in reviving Buddhist circuits and strengthening spiritual and cultural ties with nations like Thailand, Cambodia, and Myanmar. Through this initiative, India aims to use “Buddhist Diplomacy” as a component of its soft power efforts to establish stronger people-to-people relationships. Another significant element is educational and cultural exchanges; India has established the ASEAN Socio-Cultural Community under the

ASEAN-India Cultural Centre and provides scholarships to ASEAN students. Moreover, the Indian diaspora in nations like Singapore and Malaysia serves as a cultural link, strengthening ties between each of these countries. While earlier administrations laid the groundwork for interacting with the Indian Diaspora, Prime Minister Modi is going above and beyond with a variety of aggressive initiatives. It's noteworthy that he is showing personal involvement, in contrast to the previous bureaucratic approach. Modi's diaspora initiatives have been characterised by his visits to nations with sizable Indian populations and his public speeches aimed at fostering a sense of community and belonging. Furthermore, yoga diplomacy has become increasingly significant as Southeast Asia celebrates International Yoga Day, further elevating India's cultural influence.

The third connectivity aspect emerged as a crucial pillar of India's AEP to realise the full economic and trade potential. This involves both physical infrastructure and digital links. There are two major projects aimed at improving connectivity: the India-Myanmar-Thailand Trilateral Highway and the Kaladan Multi-Modal Transit Transport (KMMTT), Comprising Both a Waterway and a Roadway component. The former is under construction, and the latter was inaugurated on 9 May 2023 and is currently operational. Apart from infrastructural projects, digital connectivity is also a crucial aspect of this collaboration. This collaboration includes a close partnership with Singapore to develop India's semiconductor industry. Digital connectivity serves as an essential connection that both nations prioritise to enhance trade, collaboration, and various other objectives, including projects like the Digital Public Infrastructure (DPI) and the India-ASEAN fund for the digital future. Despite the collaboration, Indian projects in Myanmar are currently facing two major setbacks. First, funding is a major issue. Many Indian projects

have often been delayed due to the late release of funds and a lack of proper coordination between government departments. Second, the internal political situation in Myanmar is causing security concerns. The country is going through a period of unrest, which has directly impacted the projects. For example, the construction work on the TMT Trilateral Highway in the Myanmar section has been halted due to security risks and ongoing disturbances.

Apart from the above-discussed aspects, another growing significant component of Act East policy is the security and Defence cooperation. While economic cooperation was the main objective of the Look East Policy, the Act East Policy has placed more emphasis on strategic implications, especially in the Indo-Pacific area. This strategy is also essential because of the growing geopolitical significance of the Indo-Pacific and the ever-increasing difficulties and unpredictability caused by China's growing dominance and territorial claims in the region. Maritime security, especially in the Indo-Pacific region, is a major concern for most countries, including the USA and Japan. In addition to collaborating with ASEAN countries, India is actively participating in the QUAD grouping to ensure regional maritime security and maintain a balance of power. In November 2022, the inaugural ASEAN–India Defence Ministers' Informal Meeting was held in Cambodia on the sidelines of the ASEAN Defence Ministers' Meeting Plus. The two sides identified areas to strengthen collaboration. During this meeting, both parties highlighted key areas for enhancing collaboration. This gathering clearly signalled to Beijing that India aimed to bolster its defence cooperation with ASEAN and its member states. In line with this growing defence cooperation, India also delivered its indigenously built BrahMos missiles to the Philippines in 2024.

STOP TO CONSIDER:

Quadrilateral Security Dialogue (QUAD):

The QUAD, or Quadrilateral Security Dialogue, is a strategic partnership between four countries: The United States, India, Japan, and Australia. Formed to promote a free, open, and inclusive Indo-Pacific region, the group focuses on cooperation in areas like maritime security, economic development, and countering regional challenges. Though the group was formally launched in 2007, it gained momentum in recent years, with leaders holding regular summits to address shared concerns, including China's growing influence in the region. The group conducts joint military exercises, such as the Malabar drills, to enhance defence cooperation. Scholars and experts often termed the group as an anti-China coalition, but its member countries emphasise that the aim of this group is to promote regional stability rather than targeting any specific nation.

2.7 The Great Power Competition and China Factor

The renewed competition among great powers in East Asia and the Indo-Pacific region has significantly influenced regional geopolitics. In this region, China's expanding military and economic influence has eroded India's strategic space, particularly in the maritime domain. This became evident during India's withdrawal from an oil exploration block with Vietnam in 2012 that came amid Chinese opposition to Indian activities in the South China Sea. The Sino-Indian rivalry has also shaped India's Look East Policy (LEP), which later evolved into the Act East Policy (AEP). In response to China's increasing assertiveness, India has mainly adopted two prolonged approaches to counter Chinese influence and safeguard its interests; firstly, India, under its Act East policy, has strengthened its ties with the ASEAN group. In 2018, India invited the leaders of

the ten Association of Southeast Asian Nations (ASEAN) member states to participate in India's Republic Day parade as Chief Guests, demonstrating its diplomatic ability in relation to the Act East Policy. The Delhi Declaration was adopted during this visit of ASEAN leaders. The declaration primarily reflects the shared concerns of India and ASEAN, with a notable emphasis on navigational freedom in the seas and the need for dispute resolution through the United Nations Convention on the Law of the Sea (UNCLOS) over increasing Chinese assertiveness in the region. Moreover, India also strategically partners with the ASEAN countries in Defence cooperation. Apart from delivering the Brahmos Missile to the Philippines, discussions are also going on with Indonesia and Vietnam to export the BrahMos supersonic cruise missile. The India-Vietnam relationship holds particular significance, is often regarded as a cornerstone of India's regional strategy, and is frequently compared to China's strategic alliance with Pakistan. By strengthening its partnership with Vietnam, which has a history of tense relations with China, especially concerning the South China Sea and border disputes, India seeks to establish a stronger presence in Southeast Asia, paralleling China's influence in South Asia.

Secondly, India is actively engaging with like-minded countries such as the USA, Japan, and Australia to advocate for a free, open, and rules-based Indo-Pacific region. Through platforms like the Quad, India emphasizes the importance of maritime security, infrastructure development, and the safeguarding of sovereign interests. This strategic partnership is designed to counterbalance China's assertive actions, which include the militarisation of the South China Sea and debt-trap diplomacy. By strengthening defence collaborations, conducting joint military exercises, and enhancing economic cooperation, India aims to uphold regional stability and

ensure that the Indo-Pacific remains open, inclusive, and free from coercive dominance.

2.8 The Act East Policy and India's North-East

India launched the Look East policy in 1991 to strengthen economic ties with East and Southeast Asian countries. Over time, this policy has brought numerous benefits, contributing to India's economic growth and fostering stronger commerce and cultural connections with East Asian countries. India's north-eastern region shares close cultural and geographical ties with neighbouring countries like Bangladesh, Myanmar, and China's southwest. This makes it a natural area for promoting cultural and economic cooperation through different international forums. However, despite the rise in trade with eastern neighbours, the north-eastern region has seen little to no benefit. This is mainly because, in the early stages, India focused more on expanding trade directly with East Asia rather than involving the northeast region as a gateway. The second phase of the Look East Policy began in the early 2000s. During this phase, India began to place greater importance on the involvement of Northeast India in its relations with eastern neighbours. In 2002, the India-Myanmar-Thailand Trilateral Highway project was proposed to improve connectivity in the region. Later, in 2008, India and Myanmar signed an agreement for the Kaladan Multimodal Project. However, progress on these projects was initially slow.

The policy took a new direction under Prime Minister Narendra Modi when it was rebranded as the Act East Policy. This shift brought a stronger focus on improving infrastructure and transportation in Northeast India, aiming to reduce the region's isolation. The goal is to strengthen links with Southeast Asia by building better roads, highways, and trade routes, making Northeast

India a key part of regional cooperation and economic growth. Under the new government, the region is now considered a land bridge between the rest of India and Southeast Asia, serving as a transit territory for Nepal and Bhutan to the Southeast Asian Market. Prime Minister Narendra Modi has often called the North-eastern part of India the "Ashtalakshmi" of India, a word that represents the eight forms of the goddess Lakshmi, which stands for wealth and prosperity. By using this metaphor, PM Modi highlights the region's strategic importance in advancing the country's Act East Policy, enhancing infrastructure, and fostering cross-border trade with Southeast Asia. The 'Ashtalakshmi' metaphor also reflects the government's vision of inclusive development, emphasising the role of the Northeast in contributing to the nation's overall economic and cultural enrichment. However, the growing conflict in Myanmar highlights the bigger security challenges that come with building major connectivity projects in unstable areas. For these projects to succeed, Myanmar needs to bring its internal situation under control. At the same time, India must find ways to deal with tricky political issues while keeping the projects safe and long-lasting.

Apart from this, India is also actively collaborating with Japan under India's Act East Policy to promote the development of North-East India. A significant component of Japan's Free and Open Indo-Pacific Vision is now northeast India. The India-Japan Act East Forum was established in September 2017 as a platform for bilateral cooperation between the two nations, utilising Japan's Free and Open Indo-Pacific Policy and India's Act East Policy. Its goal is to find and support cultural connections and developmental infrastructure initiatives in north-eastern India. This is evident in several large-scale infrastructure projects going on in the North-eastern part of India under Japan's Overseas Development Assistance (ODA) programme. Japan has emerged as a significant

contributor to the infrastructure sector in Northeast India, engaging in various initiatives such as the Guwahati Water Supply Project, the Guwahati Sewage Project (Assam), the Project on Capacity Enhancement for Sustainable Agriculture and Irrigation Development (Mizoram), the North-East Road Network Connectivity Improvement Project (Assam-Meghalaya), the Sustainable Catchment Forest Management Project (Tripura), a forest management project in Nagaland, the construction of primary schools in Manipur, and the Project for Renovation and Modernization of the Umiam-Umtru Stage III Hydroelectric Power Station (Meghalaya). As of January 2021, Japan's total ODA to Northeast India was more than 231 billion yen, or almost \$2 billion. Additionally, Japan has an initiative called the IRIS program that brings students to Japan from the Northeast region of India.

Additionally, the government's current motto, "Act East, Act Fast, Act First," aptly captures India's commitment to developing its north-eastern region and integrating the region with the wider Indo-Pacific. This phrase strategically articulates the Government of India's intent to prioritise the development of Northeast India as an essential element of the broader Act East Policy. It underscores the urgency (Act Fast) and leadership (Act First) necessary to transform the region into a hub for connectivity, commerce, and cultural exchange with Southeast Asia. As the geographic and strategic gateway to the Indo-Pacific, the Northeast plays a pivotal role in India's regional diplomacy. Through enhanced infrastructure, cross-border trade, and strengthened people-to-people ties, the region is being integrated into the larger Indo-Pacific framework, aligning with India's vision of a free, open, and inclusive regional order. Projects such as the Kaladan Multi-Modal Transit, the India-Myanmar-Thailand highway, and improvements in air and rail connectivity exemplify the "Act Fast" approach, while "Act First"

reflects the government's ambition to position the Northeast at the forefront of India's engagement with ASEAN and beyond.

2.9 Challenges to Act East Policy

India began to focus more on its eastern neighbours with the Look East Policy in the early 1990s, which was further advanced by the Act East Policy in 2014. This shift helped India build strong relationships not only with countries in Southeast Asia but also with extended partners like Japan, Australia, and South Korea. However, despite its ambitious goals and growing partnerships, the Act East Policy faces several challenges that hinder its full realisation.

A major obstacle to the success of the Act East Policy is the lack of adequate infrastructure and connectivity, particularly in India's north-eastern region, as well as the country's dependency on Myanmar to connect with the eastern neighbours of Southeast Asia. The Northeast is envisioned as a physical and economic bridge between India and Southeast Asia; however, the region suffers from underdevelopment, poor transportation networks, and challenging terrain. Key connectivity projects such as the India-Myanmar-Thailand Trilateral Highway and the Kaladan Multi-Modal Transit Transport Project have experienced long delays due to logistical difficulties, funding issues, slow bureaucratic processes, and most importantly, the ongoing internal instability in Myanmar following the 2021 military coup. These projects are crucial to physically integrating India with Southeast Asia, and any delay weakens the policy's foundation. Furthermore, the North East region of India has long been affected by ethnic tensions, demands for autonomy, and sporadic violence. Although the situation has improved in recent years, the underlying instability makes it difficult to implement long-term development and cross-border initiatives. Additionally,

the porous border with Myanmar and the current internal unrest there allow for the movement of insurgents and illicit goods, further complicating efforts to enhance cooperation and connectivity.

India also encounters external strategic competition, particularly from China. Through its Belt and Road Initiative (BRI), China has made significant investments in infrastructure and economic projects throughout Southeast Asia, thereby augmenting its influence and soft power in the region. In contrast, India's outreach often lacks the financial scale and speed of implementation necessary for effective competition. This disparity has led many Southeast Asian countries to align more closely with China, despite India's historical and cultural ties to the region. Economically, India's engagement with Southeast Asia has yet to realise its full potential. While trade with ASEAN nations has increased, it remains modest compared to the trade between ASEAN and China. Furthermore, India's decision to withdraw from the Regional Comprehensive Economic Partnership (RCEP) in 2019, due to domestic economic considerations, signalled a retreat from deeper economic integration with the region. This choice has limited India's ability to influence the regional trade architecture and diminished its appeal as a trade partner.

Furthermore, bureaucratic inefficiencies and the lack of coordination between various ministries and state governments in India hinder the effective implementation of policies related to the Act East agenda. Diplomatic engagements are often reactive rather than strategic and long-term, reducing the impact of India's presence in regional forums. Meanwhile, the ASEAN bloc itself struggles with internal divisions and a cautious approach to external partnerships, making it harder for India to pursue comprehensive regional initiatives.

While the Act East Policy is a vital component of India's foreign strategy, especially in the context of the Indo-Pacific, its success

depends on overcoming internal constraints and competing effectively with other regional powers. Sustained investment in infrastructure, stronger economic reforms, and a more agile diplomatic approach are essential to realising the policy's full potential.

CHECK YOUR PROGRESS:

- 1) How is the Act East policy different from the Look East policy?
- 2) Evaluate the effectiveness of India's Act East Policy in strengthening its strategic and economic ties with Southeast Asian nations.
- 3) Discuss the significance of India's Act East Policy in promoting the development and connectivity of North-East India. What challenges and opportunities does the region face in becoming a gateway to Southeast Asia?

2.10 Summing Up

India's transition from the Look East policy to the Act East policy marks a significant evolution in its foreign policy approach toward East and Southeast Asia. While the Look East policy, introduced in the early 1990s, was primarily driven by the need for economic recovery and regional integration, the Act East policy under the Modi government reflects a more confident and proactive India. This shift signifies not only India's growing economic and military capabilities but also its aspiration to play a bigger role in regional and global affairs. With the changing geopolitical landscape marked by China's rising influence and increasing regional uncertainties, India's deeper involvement in East Asia is not only strategic but also necessary. Therefore, under the Act East policy, India has broadened

its engagement with ASEAN and other regional players, including Japan, South Korea, Australia, and the United States, to ensure a free and open Indo-Pacific. Moreover, enhanced connectivity, active diaspora engagement, cultural diplomacy, and defence partnerships have become key pillars of this policy. By strengthening trade ties and participating in regional value chains, India aims to integrate itself into East Asia's economic dynamism. India's robust participation in security cooperation and multilateral dialogues reflects a commitment to regional stability. Looking ahead, the Act East policy is likely to remain a cornerstone of India's foreign policy. As the Asian Century unfolds, India's expanding economic and strategic interests will drive it to play a more assertive role in the region. The focus on connectivity, trade, and security cooperation will further cement India's position as a key player in East and Southeast Asia, shaping the region's future economic and geopolitical landscape.

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UNIT: 3

INDIA AND ITS NEIGHBOURS: THE ROLE OF MULTILATERAL FRAMEWORK

Unit Structure:

- 3.1 Introduction
- 3.2 Objectives
- 3.3 Historical Evolution of India's Regional Engagement
- 3.4 Major Multilateral Frameworks involving India and its neighbours
 - 3.4.1 South Asian Association for Regional Cooperation (SAARC)
 - 3.4.2 Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)
 - 3.4.3 Indian Ocean Rim Association (IORA)
 - 3.4.4 Shanghai Cooperation Organisation (SCO)
 - 3.4.5 Other Regional and Global Institutions
- 3.5 Key challenges in Multilateral Cooperation
- 3.6 Summing Up
- 3.7 References and Suggested Readings

3.1 Introduction

A peaceful neighbourhood is essential for India to achieve its developmental goals. However, the dynamics in India's neighbourhood are complicated, with several nations dealing with high rates of inflation, unstable economies and popular unrest. India occupies a central position in the geo-political landscape of South Asian region. As the largest and most populous nation in South Asia, India shares its boundaries with Pakistan, Nepal, Bhutan,

Bangladesh, Afghanistan and Myanmar, along with a maritime boundary with Sri Lanka and the Maldives. Apart from sharing boundaries with all the South Asian nations, India is also neighbour to the Asian giant China.

India has always tried to promote regional engagement with its neighbours through various bilateral and multilateral initiatives. This chapter explores the key aspects of India's regional engagement with its neighbours through various multilateral frameworks. It examines the historical trajectory of India's foreign policy, highlighting how early post-independence principles of non-alignment and *Panchsheel* influenced India's diplomatic approach. The role of successive governments, including key turning points like the Indo-Pakistan wars, the 1971 Indo-Soviet Treaty and economic liberalisation in the 1990s, are analysed to understand India's transition from a non-aligned stance to strategic partnerships.

The chapter attempts to provide an in-depth examination of major multilateral frameworks involving India and its neighbours. It covers India's engagement with the South Asian Association for Regional Cooperation (SAARC), focusing on the political challenges and limited success of the organization due to tensions with Pakistan. It also explores the strategic importance of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) in enhancing trade and connectivity between South and Southeast Asia. India's maritime security and trade strategy within the Indian Ocean Rim Association (IORA) and its geopolitical positioning in the Shanghai Cooperation Organisation (SCO) are also analysed. Key challenges in multilateral cooperation, including political tensions, border disputes, economic barriers, institutional weaknesses and environmental issues, are discussed to provide a comprehensive

understanding of the obstacles India faces in promoting regional stability.

Multilateral Frameworks

Multilateral frameworks refer to cooperative arrangements among three or more countries that work together on issues of mutual interest such as trade, security, climate change, health and development. It implies that the members nations have a shared realization that it is in their interests to work together to resolve problems that are bigger than their individual efforts could tackle. These frameworks often operate through international institutions, treaties, alliances or regional groupings and are designed to promote dialogue, negotiation and shared decision-making.

Multilateral framework emphasizes upon equality among member states, consensus-based decision-making and shared responsibilities for global or regional challenges. These frameworks involve multiple sovereign nations and can be global or regional in nature. South Asian Association for Regional Cooperation (SAARC), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), Indian Ocean Rim Association (IORA), Shanghai Cooperation Organisation (SCO), etc. are some examples of multilateral frameworks.

3.2 Objectives

By the end of this chapter, you should be able to:

- *understand* the significance of multilateral frameworks in India's regional engagement;

- *identify* the key multilateral institutions involving India and its neighbours;
- *analyse* the challenges India faces in regional multilateralism;
- *assess* India's strategic approach to multilateral cooperation.

3.3 Historical Evolution of India's Regional Engagement

The British and India's founding leaders, particularly Jawaharlal Nehru, had a significant influence on the country's early foreign policy. Before independence, India's foreign policy was centred on upholding the British Empire's interests and fostering positive ties with other British colonies. Since diplomatic connections were mostly handled through the British government, India had little diplomatic ties with foreign nations. India's foreign policy started to change in the early 20th century as the nation's independence movement gathered momentum. The Indian National Congress sought to gather international support for the independence cause and to increase awareness of the predicament facing India and other colonised nations.

After its independence in 1947, India's regional engagement has evolved significantly. India's first Prime Minister, Jawaharlal Nehru, laid the foundation for the country's foreign policy based on two core ideas *Panchsheel* (five principles of peaceful coexistence) and non-alignment. During Nehru's tenure, India embarked on a proactive course of multilateral engagement and economic cooperation in the global arena without aligning with any of the two power blocs. However, during this time India's involvement with its South Asian neighbours was limited with the exception of Pakistan, which remained a bitter foe for the country. This period also

witnessed the Indo-China war of 1962. After the death of Nehru and a short premiership of Lal Bahadur Shastri, Indira Gandhi became the Prime Minister of India. Instead of Nehru's neglect of South Asia and focus on globalist soft power morality, Indira Gandhi concentrated much more on South Asia. This South Asian focus of India's foreign policy during her tenure came to be known as "Indira Doctrine". The India-Pakistan war of 1971 and the military intervention of India in Sri Lankan Civil War in the same year reflects the shift of India's foreign policy as well as security concerns in the South Asia. Against this backdrop, India joined six other South Asian countries- Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka in 1985 as a member of the South Asian Association for Regional Cooperation (SAARC) with Afghanistan joining as the eighth member of SAARC in 2007. The then Prime Minister Rajiv Gandhi's opening remarks at the SAARC summit in 1985 signalled a major change towards a more active presence of India on the international scene, concentrating on influencing the agenda of developing countries. Realising the value of regional leadership and influence in South Asia, India stepped up attempts to forge closer ties with its neighbours.

The 1990s witnessed some major changes in India's approach to its neighbours. With the collapse of the USSR and the onslaught of LPG (liberalisation, privatisation and globalisation) reforms, India had to recalibrate its regional approach. As a result, in 1991, India shifted its focus to its extended neighbours, the Southeast Asian nations by introducing the "Look East Policy". However, the importance of the immediate neighbours was reinstated by the then Prime Minister Inder Kumar Gujral in 1997, who announced the Government's Neighbourhood policy which emphasizes building friendly relations with India's immediate neighbours by prioritising non-reciprocal accommodation, peaceful dispute resolution and

respecting territorial integrity, essentially advocating for a non-dominant approach towards smaller neighbouring countries. This later came to be known as the “Gujral Doctrine”. The Gujral Doctrine further strengthened India’s relations with its neighbours. The successor of Gujral, Atal Bihari Bajpayee, centred his campaign by criticising Gujral’s idea of regional politics. The BJP-led federal government abandoned the Gujral ideology. When Manmohan Singh became prime minister in 2004, he inherited a strong diplomatic foundation from predecessors P.V. Narasimha Rao and Atal Bihari Bajpayee. He sought to transform bilateral relations but faced domestic political constraints. Efforts to resolve the Kashmir issue stalled due to opposition from Congress leadership. His successes included the Indo-US Nuclear Deal and agreements with Bangladesh (2011) and China (2005).

After the landslide victory of the ‘Bharatiya Janata Party (BJP)’, Narendra Modi became India’s prime minister in 2014. The Modi government reintroduced the Neighbourhood First Policy (initially introduced in 2008) and also revised the “Look East Policy” to “Act East Policy”. The Neighbourhood First Policy aims to strengthen regional forums like SAARC and pursue cordial relations in the neighbourhood. Similarly, the Act East Policy projected India’s intentions to be more proactive with its extended neighbourhood (Southeast Asian nations) too. This signifies the government’s commitment to enhancing India’s neighbourhood connections before focussing on the rest of the world.

Gujral Doctrine

The Gujral Doctrine refers to a set of five principles proposed by I.K. Gujral, India’s Prime Minister from 1997 to 1998, to guide India’s foreign policy toward its neighbouring countries. The doctrine emphasized the need for peaceful and cooperative relations with South Asian nations, focusing on non-reciprocity and mutual

respect. It was developed at a time when India faced political tensions with Pakistan and China, and aimed to create a stable and harmonious regional environment.

The five key principles of the Gujral Doctrine are:

1. India will not seek reciprocity in its relations with smaller neighbours but will accommodate their interests, recognizing India's larger size and capacity.
2. No South Asian country should allow its territory to be used against the interests of another country in the region.
3. Non-interference in the internal affairs of neighbouring countries.
4. Respect for each other's territorial integrity and sovereignty.
5. Peaceful resolution of disputes through dialogue and diplomacy.

3.4 Major Multilateral Frameworks involving India and its neighbours

3.4.1 South Asian Association for Regional Cooperation (SAARC)

With the overarching goal of advancing the growth and development of every nation in the region, the South Asian Association of Regional Cooperation (SAARC) was founded as an organization to create a more cohesive and united South Asia. It was founded in 1985 with seven nations as its founding members: Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka. After the inclusion of Afghanistan at the 13th summit held at Dhaka in 2006, there are now eight members. Its Secretariat is based in Kathmandu, Nepal. The SAARC Charter was adopted on 8th of December, 1985 during the first summit of the group in Dhaka which clearly points out the principles and objectives of the organisation.

Principles:

The following are the principles of SAARC enshrined in its charter:

- a. Cooperation within the framework of the association shall be based on respect for the principles of sovereign equality, territorial integrity, political independence, non-interference in the internal affairs of other States and mutual benefit.
- b. Such cooperation shall not be a substitute for bilateral and multilateral cooperation but shall complement them.
- c. Such cooperation shall not be inconsistent with bilateral and multilateral obligations.

Objectives:

The objectives of the association as mentioned in its charter are:

- a. to promote the welfare of the peoples of South Asia and to improve their quality of life;
- b. to accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realise their full potentials;
- c. to promote and strengthen collective self-reliance among the countries of South Asia;
- d. to contribute to mutual trust, understanding and appreciation of one another's problems;
- e. to promote active collaboration and mutual assistance in the economic, social, cultural, technical and scientific fields;
- f. to strengthen cooperation with other developing countries;
- g. to strengthen cooperation among themselves in international forums on matters of common interests; and
- h. to cooperate with international and regional organisations with similar aims and purposes.

Since its inception, SAARC identified a number of opportunities for collaboration in a variety of domains, including biotechnology, transportation, telecommunications, science and technology, agriculture and rural development, tourism, energy, women, youth, and children; population and health; education, the arts, culture, and sports; forestry and the environment; and intellectual property rights, among other topics.

India's role in SAARC

India, as a founding member of SAARC, has actively supported a variety of initiatives aimed at strengthening regional cooperation. India has hosted three of the eighteen SAARC summits: the second (Bengaluru, November 1986), the eighth (New Delhi, May 1995), and the fourteenth (New Delhi, April 2007). It has improved trade and connection over land, air and sea, promoting regional integration and increasing people-to-people contact. On July 20, 2022, India signed 13 Regional Trade Agreements (RTAs) and Free Trade Agreements (FTAs) with SAARC countries to strengthen economic relations. India has also shared technological advances with its neighbours. The National Knowledge Network (NKN) has been extended to Sri Lanka, Bangladesh and Bhutan. In May 2017, India launched the South Asian Satellite (SAS) from Sriharikota, with demonstration terminals installed in Bhutan, Maldives, Afghanistan, Nepal, Bangladesh and Sri Lanka. India also hosted the Interim Unit of the SAARC Disaster Management Centre (IU) at the Gujarat Institute of Disaster Management (GIDM) in Gandhinagar, operational since November 2016. It provides policy advice, technical support and capacity-building services to SAARC nations. The South Asian University (SAU), established at the 14th SAARC Summit (April 2008), offers world-class education to students and researchers from SAARC countries. During the

COVID-19 pandemic, India demonstrated regional leadership by establishing a COVID-19 Emergency Fund with an initial contribution of USD 10 million, supplying essential medicines, protective gear, testing kits and medical equipment to neighbouring countries.

However, a major challenge for SAARC has been the political rivalry between India and Pakistan. Tensions over the Kashmir issue and cross-border terrorism have created a trust deficit between the two countries, affecting the overall functioning of SAARC. For instance, the 2016 SAARC summit, scheduled to be held in Islamabad, was cancelled after the Uri terror attack, which India blamed on Pakistan-based militants. This ongoing conflict has made it difficult for SAARC to implement joint initiatives and maintain political stability within the region.

Trade barriers and economic asymmetry among member states have further weakened SAARC's potential for economic integration. Intra-regional trade within SAARC remains low, at around 5% of total trade, due to high tariffs, non-tariff barriers and poor cross-border infrastructure. India's economic dominance within the region has also created concerns among smaller nations about unequal benefits from trade agreements. Institutional weaknesses, including a lack of a strong enforcement mechanism and inadequate financial resources, have further undermined SAARC's effectiveness. The organization's decision-making process, which requires consensus among all member states, has often resulted in deadlocks due to political disagreements.

India, as the largest and most economically powerful member of SAARC, has played a crucial role in shaping its agenda. However, India's strained relations with Pakistan and its growing focus on alternative platforms like BIMSTEC and the Quad have contributed to the decline of SAARC's relevance. India's shift toward bilateral

and regional frameworks reflects its strategic effort to bypass the limitations imposed by political tensions within SAARC.

To overcome these challenges, SAARC requires stronger political commitment, greater economic cooperation, and more effective conflict resolution mechanisms. India's leadership in fostering diplomatic dialogue and reducing political tensions with Pakistan could significantly enhance SAARC's ability to fulfil its original mandate of regional integration and stability.

CHECK YOUR PROGRESS

1. What are the reasons for the declining importance of SAARC? Discuss.
2. Is India's current approach to its neighbours different from the approach adopted during Nehru's era? Discuss.

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

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is a regional organization that was established on 6th of June, 1997 with the signing of the Bangkok Declaration.

On June 6, 1997, representatives of the Governments of Bangladesh, India, Sri Lanka and Thailand came together in Bangkok, and signed the "Declaration on the Establishment of the Bangladesh–India–Sri Lanka–Thailand Economic Cooperation" (BIST-EC). The Declaration which was signed by the Minister of State for Foreign Affairs of Bangladesh, Abul Hasan Chowdhury, the Minister of State of the Republic of India Saleem Iqbal Shervani, the Deputy Minister of Foreign Affairs of Sri Lanka D.P. Wickremasinghe and

the Deputy Minister of Foreign Affairs of Thailand Pitak Intrawityanunt later came to be known as the “Bangkok Declaration”. The main aim of the regional group was the promotion of economic cooperation between countries bordering the Bay of Bengal. With Myanmar joining on 22 December 1997, the group was renamed BIMST-EC (Bangladesh, India, Myanmar, Sri Lanka, Thailand Economic Cooperation), and with the admission of Nepal and Bhutan during the 6th Ministerial Meeting in Thailand in July 2004, the grouping was renamed during the First Summit in Bangkok on 31 July 2004 as the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC).

BIMSTEC’s institutional evolution has been gradual. Following a decision at the Third BIMSTEC Summit in 2014, the BIMSTEC Secretariat was established in Dhaka, Bangladesh, in that same year, providing an institutionalised framework for deepening and enhancing cooperation. Being a sector-driven grouping, cooperation within BIMSTEC had initially focused on six sectors in 1997 (trade, technology, energy, transport, tourism and fisheries) and expanded in 2008 to incorporate agriculture, public health, poverty alleviation, counter-terrorism, environment, culture, people-to-people contact and climate change.

India views active participation in BIMSTEC not only as a means to achieve economic benefits, but also to enhance its security and strengthen its political and diplomatic standing. The Indian government highlighted BIMSTEC’s strategic importance by hosting the BRICS-BIMSTEC Outreach Leadership Summit in Goa in 2016. This contrasted sharply with the cancellation of the SAARC summit that same year due to diplomatic and border tensions with Pakistan. Following this, India reinforced its commitment to BIMSTEC by inviting its leaders to Prime Minister Modi’s swearing-in ceremony in 2019, shortly after his re-election.

China's growing influence in India's neighbouring countries remains a key concern for India, as Beijing seeks to expand its security and political presence in the region. To counter this, India has actively leveraged BIMSTEC as a strategic platform. The importance of BIMSTEC is also recognized by the United States and Japan, which have partnered with India on development projects in the region to limit China's influence.

BIMSTEC is also central to India's efforts to develop its north-eastern region, which has long faced economic neglect and growing resentment over historical marginalisation. The government sees improved connectivity between the north-eastern states and the Bay of Bengal region, particularly through Bangladesh and Myanmar, as vital for both regional infrastructure development and national economic growth. Given the region's proximity to China and the ongoing border tensions, strengthening these links is also seen as a strategic necessity.

With slowing growth in advanced economies reducing global demand, India is seeking new markets. The geographically close Southeast Asian countries present an attractive opportunity for expanding trade. Enhanced infrastructure and economic cooperation with BIMSTEC nations are expected to boost India's exports and strengthen its regional influence.

Panchsheel

The Panchsheel Agreement refers to a set of five principles that were established to guide the relationship between nations, particularly in the context of post-colonial Asia. The term "Panchsheel" is derived from the Sanskrit words "Pancha" (five) and "Sheel" (virtue or principle). It was first formalized in a treaty signed between India and China on April 29, 1954. The principles

were designed to foster peaceful coexistence and mutual respect between nations, particularly in the wake of colonialism and rising Cold War tensions.

The five principles of Panchsheel are:

1. Mutual respect for each other's sovereignty and territorial integrity – Nations should respect each other's borders and avoid interference in internal affairs.
2. Mutual non-aggression – Countries should not resort to military force or threats to resolve conflicts.
3. Mutual non-interference in each other's internal affairs – Nations should respect the political, social, and economic systems of other countries without attempting to influence or change them.
4. Equality and mutual benefit – Relations between nations should be based on fairness and reciprocity, ensuring that both sides benefit equally from diplomatic and economic engagements.
5. Peaceful coexistence – Countries should seek to resolve disputes through diplomatic means and avoid confrontation or conflict.

3.4.3 Indian Ocean Rim Association (IORA)

The Indian Ocean Rim Association (IORA) is an international organisation comprising twenty-three member states along the Indian Ocean. IORA serves as a regional forum, bringing together governments, businesses and academic institutions to foster cooperation and strengthen economic ties, particularly in trade, investment and social development. The association's coordinating secretariat is based in Ebene, Mauritius.

IORA was first established as the Indian Ocean Rim Initiative in Mauritius in March 1995 and formally launched on March 6–7, 1997, with the signing of the Charter of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC). The idea emerged during the visit of South African Foreign Minister Pik Botha to India in November 1993 and was solidified during Nelson Mandela’s state visit to India in January 1995. This led to the formation of the Indian Ocean Rim Initiative by South Africa and India, with Mauritius and Australia soon joining. By March 1997, the IOR-ARC had expanded to include seven additional founding members: Indonesia, Sri Lanka, Malaysia, Yemen, Tanzania, Madagascar and Mozambique.

India has been closely involved with the Indian Ocean Rim Association (IORA) since its inception. Over the years, India has hosted several high-level meetings, reaffirming its commitment to regional dialogue and cooperation. A major area where India has taken the lead is the Blue Economy, introduced in 2014 to promote sustainable growth through ocean resources such as fisheries, marine biotechnology and renewable energy. India’s Federation of Indian Chambers of Commerce and Industry (FICCI) has played a key role in shaping this agenda, producing the “Blue Economy Vision 2025” at the 2017 IORA Senior Officials’ Meeting in Jakarta. India has focused on sustainable ocean management, innovation in marine sectors and capacity building in fisheries and renewable energy, aligning with IORA’s Action Plan 2017–2021.

India has also supported IORA’s specialised agencies through financial and technical contributions. In 2018, India established the IORA-RCSTT Coordination Centre at the Central Institute of Medicinal and Aromatic Plants (CIMAP) in Lucknow. This centre facilitates regional collaboration in science and technology, particularly in the commercialisation of medicinal plants. India also

contributes to the IORA Special Fund, which supports the Fisheries Support Unit (FSU) in Muscat, Oman.

In 2024, research faculty from the National Maritime Foundation (NMF) in New Delhi participated in several workshops and seminars, enhancing regional cooperation on maritime issues. India's engagement with IORA reflects its broader maritime policy, encapsulated in the acronym 'SAGAR' (Security and Growth for All in the Region), which seeks to establish a peaceful, secure and prosperous maritime environment. This complements India's "Act East" and "Link and Act West" policies, reinforcing its strategic position in the Indian Ocean region.

India's role in IORA will reach a new milestone when it assumes the chairmanship for the period 2025–27. This transition, expected at the Council of Ministers (COM) meeting in late 2025, will strengthen India's influence in shaping IORA's future direction. As chair, India will focus on advancing the goals outlined in the IORA Vision 2030 and Beyond plan, which prioritises economic integration, sustainable development and climate action. India's leadership will be instrumental in mobilising resources and technical support from dialogue partners and international organisations to drive these long-term objectives.

Through IORA, India is positioned to reinforce its role as a net provider of security and a stabilising force in the region. By fostering cooperative mechanisms rather than unilateral actions, India can enhance regional stability and economic progress across the Indian Ocean Rim.

3.4.4 Shanghai Cooperation Organisation (SCO)

The Shanghai Cooperation Organisation (SCO) is a Eurasian political, economic and security alliance founded by China and

Russia in 2001. It is the world's largest regional organisation by geographic scope and population, covering about 24% of the world's land area (65% of Eurasia) and representing 42% of the global population. As of 2024, the SCO's combined nominal GDP accounts for roughly 23% of the global total, while its GDP based on purchasing power parity (PPP) makes up approximately 36% of the world's total.

The SCO evolved from the Shanghai Five, established in 1996 by China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan to strengthen regional security and cooperation. In June 2001, the leaders of these nations, along with Uzbekistan, met in Shanghai to establish the SCO, aiming to deepen political and economic collaboration. The organisation expanded to eight members in June 2017 with the inclusion of India and Pakistan. Iran became a full member in July 2023, followed by Belarus in July 2024. Several other nations hold observer or dialogue partner status, reflecting the SCO's growing influence. The SCO's decision-making authority lies with the Heads of State Council (HSC), which meets annually to set strategic direction and address key regional and global issues.

India's engagement with the Shanghai Cooperation Organisation (SCO) is driven primarily by its geopolitical and geostrategic interests. The SCO provides India with a platform to strengthen ties with the Central Asian Republics (CARs)—Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan and Turkmenistan—which India views as part of its extended neighbourhood. Despite historical and cultural linkages, India's relations with the CARs have been constrained by the lack of direct access to the region, as transit routes pass through Pakistan and Afghanistan. Prime Minister Narendra Modi's visit to the CARs in July 2015 marked a renewed effort to strengthen bilateral ties. India signed a key agreement with Kazakhstan for the supply of 5,000 tons of uranium over five years, critical for India's

energy security. The two countries also agreed to strengthen connectivity through the International North-South Transport Corridor (INSTC). In Uzbekistan, discussions focused on enhancing defence and energy ties, as well as securing support for India's accession to the Ashgabat Agreement, which would improve India's trade links with Central Asia.

In Tajikistan, India explored joining the Pakistan–Afghanistan–Tajikistan Trilateral Transit Trade Agreement (PATTTTA) to improve regional trade. In Kyrgyzstan, defence cooperation was a key focus, with agreements on joint military exercises and training. In Turkmenistan, seven agreements were signed covering counter-terrorism, energy and connectivity. Both sides stressed the importance of completing the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline—a key project for India's energy security.

Moreover, India's security concerns are closely tied to the SCO's counter-terrorism framework. The resurgence of the Taliban and the rise of the Islamic State (ISIS) have increased instability in the region. India's participation in the SCO's Regional Anti-Terrorist Structure (RATS) allows it to collaborate on counter-terrorism efforts, share intelligence and engage in joint operations. India's membership in the SCO also enhances its diplomatic influence. While China and Russia currently dominate the SCO, India's entry introduces a balancing factor. Russia's growing dependence on China due to Western sanctions and Beijing's strategic ambitions in Central Asia create a complex dynamic. India's presence in the SCO offers smaller Central Asian states an alternative partner, strengthening their multi-sector foreign policy. India's ability to navigate its position within the SCO will depend on its diplomatic acumen and ability to align its interests with the broader objectives of the organisation. The SCO provides India with an opportunity to

strengthen economic, security and political ties with Central Asia while countering external threats and regional instability.

CHECK YOUR PROGRESS

1. Discuss the growing importance of BIMSTEC for India.
2. What is India's approach towards the Central Asian Republics? Discuss.

3.4.5 Other Regional and Global Institutions

India's engagement with regional and global institutions beyond SAARC, BIMSTEC, IORA and the SCO reflects its broader strategic interests in economic integration, security and political influence. Over the years, India has cultivated partnerships with various institutions to enhance its diplomatic reach, secure its economic interests and balance the growing influence of China and other global powers. These institutions play a key role in India's evolving foreign policy, especially in the context of increasing geopolitical competition and shifting economic dynamics.

ASEAN (Association of Southeast Asian Nations):

India's relationship with ASEAN (Association of Southeast Asian Nations) has been a cornerstone of its "Look East Policy" (1991) and its subsequent "Act East Policy" (2014). ASEAN, founded in 1967, comprises ten Southeast Asian nations: Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Vietnam, Laos, Myanmar and Cambodia. India considers the ASEAN countries as a part of its extended neighbourhood. India became a sectoral dialogue partner of ASEAN in 1992, a full dialogue partner in 1996, and a member of the ASEAN Regional Forum (ARF) in 1996. The signing of the India-ASEAN Free Trade Agreement (FTA) in goods

in 2009 and the FTA in services and investment in 2015 marked significant milestones in India's engagement with ASEAN.

ASEAN is critical for India's strategic outreach toward East Asia and the broader Indo-Pacific region. The India-ASEAN Strategic Partnership, formalized in 2012, reflects India's intent to strengthen maritime security, trade connectivity and political cooperation in the region. However, India's withdrawal from the Regional Comprehensive Economic Partnership (RCEP) in 2020 due to concerns over trade imbalances with China and fears of increased imports highlights the challenges India faces in deepening economic ties with ASEAN. Despite this, India remains committed to enhancing connectivity projects such as the India-Myanmar-Thailand Trilateral Highway and the Kaladan Multi-Modal Transit Transport Project, which aim to link India's north-eastern states with Southeast Asia.

Asia-Pacific Economic Cooperation (APEC):

APEC was established in 1989 to promote economic cooperation among countries in the Asia-Pacific region. It includes 21 member economies, including the United States, China, Japan, South Korea and Australia. Although India is not a member of APEC, it has actively lobbied for inclusion since the early 1990s. India's non-membership limits its ability to influence trade norms and regional economic frameworks in the Asia-Pacific.

India's growing economic ties with key APEC members such as Japan, South Korea and Australia underscore the importance of APEC membership for its trade and investment strategy. India's participation in the Quadrilateral Security Dialogue (Quad), which includes the United States, Japan and Australia, reflects its strategic alignment with key APEC members on security and trade issues.

India's exclusion from APEC remains a diplomatic gap, but its participation in parallel economic frameworks such as the Indo-Pacific Economic Framework for Prosperity (IPEF) suggests an effort to engage with the broader Asia-Pacific region despite the absence of formal APEC membership.

BRICS (Brazil, Russia, India, China, and South Africa):

India's membership in BRICS reflects its desire to engage with emerging economies and reshape global governance structures. BRICS, established in 2009 (South Africa joined in 2010), represents a coalition of major developing economies that aim to challenge the dominance of Western-led financial institutions. India has played a central role in shaping BRICS' agenda, particularly through the creation of the New Development Bank (NDB) and the Contingent Reserve Arrangement (CRA) in 2014.

BRICS provides India with a platform to engage with China and Russia on issues of global governance while also deepening ties with Brazil and South Africa. However, political and strategic differences among BRICS members, particularly India's border disputes with China, have limited the grouping's effectiveness on security issues. Despite these challenges, BRICS remains a crucial platform for India to advocate for reform of global institutions such as the International Monetary Fund (IMF) and the World Bank. India's participation in BRICS reflects its broader strategy to balance Western dominance with stronger South-South cooperation.

Quad (Quadrilateral Security Dialogue):

The Quad, comprising India, the United States, Japan and Australia, reflects India's strategic shift toward Indo-Pacific security. Revived

in 2017, the Quad aims to counterbalance China's growing influence in the Indo-Pacific through joint naval exercises, infrastructure projects and regional diplomacy. India's participation in the Quad aligns with its broader Indo-Pacific strategy of ensuring maritime security, freedom of navigation and a rules-based order.

India's reluctance to formally align the Quad as a military alliance reflects its preference for strategic autonomy. However, joint naval exercises such as the Malabar Exercise underscore India's growing security cooperation with the Quad members. The Quad's focus on infrastructure development and vaccine diplomacy also aligns with India's efforts to expand its soft power in the Indo-Pacific.

3.5 Key Challenges in Multilateral Cooperation

India's engagement with multilateral frameworks such as SAARC, BIMSTEC, IORA and the SCO reflects its strategic interest in strengthening regional ties and promoting economic integration. However, despite India's proactive involvement, several key challenges continue to hinder the effectiveness of these platforms and prevent the realisation of their full potential. These challenges stem from political rivalries, security concerns, economic barriers, institutional weaknesses and conflicting geopolitical interests.

Firstly, a major obstacle to India's multilateral engagement is the political and strategic rivalry with its neighbours, particularly Pakistan and China. The longstanding hostility between India and Pakistan has severely hampered the effectiveness of SAARC. The 2016 SAARC Summit, which was scheduled to be held in Islamabad, was cancelled after the Uri terror attack, which India attributed to Pakistan-based militants. This deep-rooted conflict has rendered SAARC largely ineffective as a platform for meaningful regional cooperation. Similarly, China's growing influence in South

Asia through its ambitious Belt and Road Initiative (BRI) has complicated India's strategic calculations. China's increasing economic and military ties with Pakistan, Sri Lanka and Nepal have raised concerns about India's regional dominance. The strategic competition with China has also played out within the SCO, where China's dominance in economic and security matters often sidelines India's strategic interests.

Secondly, security and border disputes have further strained India's multilateral engagements. The India-China border conflict in the Galwan Valley in 2020 and continued military stand-offs in Ladakh and Arunachal Pradesh have exacerbated tensions between the two countries, casting a shadow over India's participation in the SCO. Cross-border terrorism from Pakistan remains a persistent threat to India's national security and has complicated trust-building efforts within SAARC. Additionally, maritime security challenges in the Indian Ocean, including piracy, illegal fishing and the increasing presence of the Chinese Navy, have heightened India's concerns about regional stability. India's efforts to counterbalance China's influence through enhanced naval cooperation under IORA and the Quad have yet to produce a comprehensive security framework.

Thirdly, economic and trade barriers present another significant challenge to India's regional cooperation. Despite India's push for greater economic integration through SAARC and BIMSTEC, intra-regional trade in South Asia remains one of the lowest in the world, accounting for only 5% of total trade. Complex customs procedures, high tariffs and non-tariff barriers have limited the flow of goods and services within the region. Political disagreements, such as the unresolved Teesta water-sharing treaty with Bangladesh and Sri Lanka's increasing reliance on Chinese-funded infrastructure projects, have further stalled trade agreements. In the context of BIMSTEC, India's efforts to improve connectivity through the

India-Myanmar-Thailand Trilateral Highway and the Kaladan Multi-Modal Transit Transport Project have been delayed due to political instability and logistical challenges.

Fourthly, the institutional weaknesses of regional organisations have also limited their effectiveness. SAARC, in particular, has been weakened by internal political rivalries and a lack of consensus among member states. The organization's inability to convene annual summits regularly reflects its deep political divisions. BIMSTEC, despite its potential, has faced bureaucratic inertia and overlapping membership issues. Member states' divergent economic and strategic priorities have made it difficult to implement collective decisions. Similarly, IORA has struggled to secure adequate funding and political commitment from member states, limiting its ability to implement ambitious maritime security and trade initiatives.

Fifthly, India's balancing act between regional and global interests presents an additional challenge. While India's growing strategic alignment with the United States, Japan and Australia through the Quad strengthens its position in the Indo-Pacific, it creates friction within the SCO, where China and Russia hold dominant positions. India's reluctance to fully embrace China-led initiatives, such as the BRI, reflects its strategic caution in balancing these competing interests. India's participation in multilateral forums like BRICS and the SCO is often seen as a counterweight to Western dominance, but internal disagreements among BRICS members—especially between India and China—have limited the grouping's effectiveness in shaping global governance structures. Moreover, Domestic political and economic constraints further complicate India's multilateral strategy. India's protectionist trade policies and concerns over trade imbalances have led to its withdrawal from major trade agreements, such as the Regional Comprehensive Economic Partnership (RCEP) in 2020. Political opposition within

India to foreign investment and trade liberalisation has constrained India's ability to negotiate favourable trade terms within SAARC and BIMSTEC. Economic slowdowns and resource limitations have also weakened India's capacity to provide financial and technical assistance to its neighbours, limiting its ability to project influence through developmental diplomacy. Environmental and climate challenges add another layer of complexity to India's regional engagement. Water-sharing disputes, particularly with Pakistan and Bangladesh over the Indus and Ganges rivers, have created political tensions. India's leadership in renewable energy and disaster management under IORA and BIMSTEC has yet to produce comprehensive regional agreements on climate action and environmental protection. Despite India's efforts to promote regional cooperation on disaster risk reduction and maritime security, the lack of binding commitments among member states has limited collective action.

STOP TO CONSIDER

Belt and Road Initiative (BRI):

The Belt and Road Initiative (BRI), launched by China in 2013, is a massive global infrastructure and economic development project aimed at enhancing connectivity and trade across Asia, Europe and Africa. It was announced by Chinese President Xi Jinping as a strategy to revive the ancient Silk Road trade routes. The BRI consists of two major components:

1. Silk Road Economic Belt – A network of overland trade routes linking China to Central Asia, Europe and the Middle East.

2. 21st Century Maritime Silk Road – A network of sea routes connecting China with Southeast Asia, South Asia, Africa and Europe through major ports.

3. The BRI involves the construction of roads, railways, ports, energy pipelines, and communication networks, supported by Chinese investments and loans. Over 140 countries have signed agreements related to BRI projects, making it one of the largest global development initiatives. Key projects include the China-Pakistan Economic Corridor (CPEC), the Hambantota Port in Sri Lanka and infrastructure development in Africa and Southeast Asia.

CHECK YOUR PROGRESS:

1. Discuss the changing nature of India's regional engagement.
2. Discuss the role of SAARC in promoting peace and cooperation in South Asian region.
3. Explain how political rivalries and security concerns have limited the effectiveness of SAARC.
4. Discuss the strategic significance of India's engagement with BIMSTEC.
5. Explain how India's participation in IORA aligns with its maritime strategy.
6. Analyse India's role in the Shanghai Cooperation Organisation (SCO).
7. Discuss the challenges faced by India in multilateral engagement with its neighbours.

3.6 Summing Up:

After reading this unit you have learnt that India's engagement with its neighbours through multilateral frameworks reflects its strategic

ambition to establish itself as a regional leader while addressing common security, economic and political challenges. Over the years, India's foreign policy has transitioned from bilateralism to a more balanced and strategic multilateral approach, recognizing that collective action is required to address regional and global challenges.

India's regional engagement has developed over time, from a focus on non-alignment and bilateral diplomacy following independence to active participation in regional institutions. The SAARC, formed in 1985, was India's first attempt to institutionalise regional cooperation. However, political problems with Pakistan have hindered SAARC's usefulness, causing India to turn its attention to alternative frameworks such as BIMSTEC and IORA. BIMSTEC, formed in 1997, connects South Asia and Southeast Asia, reflecting India's strategic goal of strengthening economic relations and marine security in the Bay of Bengal. IORA, established in 1997, portrays India as a prominent role in Indian Ocean security and trade, in line with its SAGAR (Security and Growth for All in the Region) programme.

In 2017, India joined SCO, expanding its geopolitical reach into Central Asia. Through the SCO, India has expanded security ties, taken part in counter-terrorism activities and sought closer economic integration with Central Asian states. However, India's relations with China and Pakistan inside the SCO remain tense due to border disputes and geopolitical competitiveness.

Beyond these regional organisations, India's involvement with ASEAN, BRICS, the UN and the Quad shows its overall approach of balancing regional and global interests. India's strategic alignment with the Quad demonstrates its desire to resist China's dominance in the Indo-Pacific. Its participation in global platforms such as BRICS and the UN demonstrates India's aim to shape global

governance and advocate for reforms that reflect contemporary geopolitical realities.

However, India has numerous hurdles in its multilateral interactions. Political disputes with Pakistan and China, cross-border terrorism and border skirmishes have eroded regional confidence and delayed cooperation. Economic impediments such as trade imbalances, protectionist policies and inadequate infrastructure have hampered regional economic integration. Institutional shortcomings in SAARC and BIMSTEC, such as a lack of financial and administrative ability, have slowed progress even more. Furthermore, environmental challenges like as water-sharing disputes and climate change remain unaddressed, despite India's leadership in sustainable development efforts.

Looking ahead, India's multilateral destiny will be determined by its ability to strike a balance between regional leadership and global ambitions. Strengthening commerce and connectivity, improving regional security cooperation and correcting institutional deficiencies are all key to increasing India's influence. India's leadership in IORA and BIMSTEC, together with its strategic positioning in the SCO and Quad, puts it well for a stabilising role in South Asia and the Indo-Pacific. By increasing diplomatic engagement, investing in regional infrastructure and maintaining strategic flexibility, India can effectively negotiate complicated regional dynamics and increase its position in the global order.

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UNIT - 4

INDIA AND ITS NEIGHBOURS - CONNECTIVITY AND INFRASTRUCTURE PROJECTS

Unit Structure:

- 4.1 Introduction
- 4.2 Objectives
- 4.3 Policy Frameworks Guiding India's Connectivity and Infrastructure Initiatives
- 4.4 India's Key Projects and Partners
- 4.5 Strategic Imperatives and Partner Perspectives
- 4.6 Challenges in Project Implementation
- 4.7 Impact Evaluation: Realised and Potential Gains
- 4.8 India's 'Infrastructure Diplomacy'
- 4.9 Summing Up
- 4.10 References and Suggested Readings

4.1 Introduction

In contemporary international relations, 'connectivity' does not simply signify physical infrastructure but encompasses physical, digital, economic, energy, institutional, and people-to-people linkages, making it a multi-dimensional concept. States often utilise connectivity as a deliberate foreign policy tool, which is used for infrastructure investments to shape regional dynamics and project influence, marking their strategic intent. Connectivity is a vital tool of statecraft in rising Asia as it shapes its global image through economic collaborations. Economic integration, which mostly means lowering transaction costs and facilitating trade, is advanced by enhanced connectivity.

India's diversion from its post-independence path is witnessed through its current focus on neighbourhood connectivity. The decades of "dis-connectivity" in South Asia marked it as one of the world's least integrated regions, fueled by events like the partition of 1947 and, consequently, the political divisions. There was a significant deterioration in transport links, and at the same time, minimal levels of intra-regional trade. Around 2014, keeping in touch with global politics, India moved ahead from its Cold War strategies and rapidly moved forward with regional connectivity. This shift in India's outlook demands the logistical integration of the country internally. At the same time, it means responding to the shifting geopolitical scenario in South Asia and the rise of China.

This Unit investigates India's connectivity strategy in its neighbourhood. It examines the key policy frameworks from the perspectives of India and its partners, maps major infrastructure projects, and explores their strategic, economic, and political objectives. It also analyses the implementation challenges, determines the impacts and in the regional context, analyses India's infrastructure diplomacy, particularly in comparison to China.

4.2 Objectives

After thoroughly studying this Unit, the Learner would be able to:

- *know* about the policy frameworks that India uses to pursue its foreign policy;
- *learn* about India's key developmental projects and partners;
- *understand* the partner countries' strategic moves and perspectives towards India, and vice versa;

- *be aware* of the challenges that hinder developmental project implementation in India's neighbourhood; and
- *critically analyse* the current connectivity and infrastructural issues in South Asia, Southeast Asia, and the Indian Ocean Region (IOR), and how India negotiates with them.

4.3 Policy Frameworks Guiding India's Connectivity and Infrastructure Initiatives

Certain interconnected foreign policy doctrines guide India's regional connectivity push, including the 'Neighbourhood First,' the 'Act East,' and the maritime 'SAGAR/MAHASAGAR' visions.

4.3.1 'Neighbourhood First' Policy

This policy guides relations with immediate neighbours (Afghanistan, Bangladesh, Bhutan, Maldives, Myanmar, Nepal, Pakistan, and Sri Lanka). It has been prioritised since 2014, with roots in 2008. It aims for people-oriented regional frameworks that benefit South Asian nations, which promote stability and prosperity in the region. 'Neighbourhood First' is based on the principles of 'samman' (respect), 'samvad' (dialogue), 'shanti' (peace), and 'samriddhi' (prosperity).

The most crucial element in this policy is the idea of enhanced connectivity (physical, digital, and people-to-people). The policy prioritises cross-border infrastructure (roads, railways, waterways, ports, energy, and digital links) to promote regional stability and shared prosperity. Development cooperation with Nepal (HICDPs, energy, and transport), cross-border projects with Bangladesh, hydropower and multi-modal links with Bhutan, and maritime

infrastructure initiatives with Sri Lanka and the Maldives are a few of its examples.

The policy's most important and key tool is developmental assistance, especially 'lines of credit' (LoCs). By 2020, there was an increase in India's LoCs to neighbours, roughly from USD 3.3 billion in 2014 to USD 14.7 billion, of which the neighbours received almost half of India's global soft lending. The policy is determined to ensure timely project execution and monitoring. Despite governmental and administrative changes, India's neighbours value its assistance and provide continuity to India's foreign policies.

4.3.2 'Act East' Policy

In 2014, the 'Look East' policy (1991/1992) was ameliorated to the 'Act East' policy. This policy enhances connections, communication, and engagement with Southeast Asia and the Indo-Pacific. It maintains a strategic relationship with the Association of Southeast Asian Nations (ASEAN) and at the same time promotes economic cooperation, cultural ties, and strategic relationships. The key enabler in all forms of regional integration is connectivity. The India-Myanmar-Thailand (IMT) Trilateral Highway and the Kaladan Multi-Modal Transit Transport Project (KMMTTP) are the flagship projects that exemplify this focus and physically link India to Southeast Asia.

The 'Act East' policy ventures beyond the economic aspects and incorporates a political and strategic dimension, which responds to the Indo-Pacific geopolitics and China's assertiveness. The central themes are maritime security, freedom of navigation (FON), defence diplomacy, and non-traditional security threats. These are evident in India's commitment to the centrality of ASEAN and the ASEAN Outlook on the Indo-Pacific (AOIP).

4.3.3 'SAGAR/MAHASAGAR' Doctrine

Maritime visions complement the land-based policies: 'SAGAR' ('Security and Growth for All in the Region,' 2015) and 'MAHASAGAR' ('Mutual and Holistic Advancement for Security And Growth Across Regions,' 2025). This doctrine envisions a free, open, inclusive Indo-Pacific based on a rules-based order. Initiatives like maritime security cooperation (e.g., coastal radar networks), port development, humanitarian assistance and disaster relief (HADR), capacity building, and sustainable development in the IOR are emphasised by this doctrine.¹⁶ This doctrine frames connectivity with India's maritime neighbours (Sri Lanka and the Maldives), linking economic growth with security and positioning India as a 'first responder' and 'net security provider.'

SELFASKING QUESTIONS

How does the evolution from the 'Look East' to the 'Act East' policy reflect changing geopolitical priorities?

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4.3.4 Synergies and Overlaps

A synergistic relationship exists between the 'Neighbourhood First' and the 'Act East' policies. These two policies are critically linked by Northeast (NE) India, India's gateway to Southeast Asia. The infrastructural development in NE India serves as the key for domestic development and integration, and extends India's influence towards the east. The objectives of both policies are served through projects like the IMT Highway, which has the dual function of

enhancing ties with Myanmar and Thailand. The maintenance of this synergic relationship is vital for enhancing connectivity in India's neighbourhood.

Notably, the shift around 2014 towards a more proactive 'Act East' and 'Neighbourhood First' approaches marked the evolution of the 'SAGAR/MAHASAGAR' doctrine. It coincided with heightened Chinese regional activity with its Belt and Road Initiative (BRI) announcement in 2013 and a more assertive Indian foreign policy. This reflects that India's intensified focus on connectivity is a core component of its geostrategic response to changing regional dynamics and its own ambitions. The SAGAR/MAHASAGAR doctrine subsequently reinforces this. India's neighbourhood connectivity projects are deeply intertwined with its broader geopolitical strategy.

STOP TO CONSIDER

- India's regional connectivity push is guided by interconnected doctrines: 'Neighbourhood First', 'Act East', and 'SAGAR/MAHASAGAR.'
- The 'Neighbourhood First' policy prioritises cross-border infrastructure and developmental assistance, primarily through lines of credit (LoCs).
- The 'Act East' policy aims to enhance engagement with Southeast Asia and the Indo-Pacific, emphasising economic, political, and strategic dimensions.
- The 'SAGAR/MAHASAGAR' doctrine focuses on maritime security, port development, and cooperation in the Indian Ocean Region.
- There is synergy between these policies, with Northeast India acting as a crucial link between 'Neighbourhood First' and 'Act East.'

CHECK-YOUR-PROGRESS

Q.1: What are the core principles of India's 'Neighbourhood First' policy?

Q.2: What is the key enabler of regional integration under India's 'Act East' policy?

Q.3: What is the vision of the 'SAGAR' doctrine?

4.4 India's Key Projects and Partners

India pursues complex connectivity projects, mainly focusing on the country's immediate neighbours (Bangladesh, Bhutan, Nepal, Sri Lanka, and the Maldives). It also focuses on key transit routes (through Myanmar) and strategic access points (Iran, via Chabahar). Even with the complexities in the relationship with Pakistan and Afghanistan, India actively pursues bilateral and sub-regional initiatives.

4.4.1 Projects in South Asia

- **BBIN Initiatives:** The emergence of the Bangladesh-Bhutan-India-Nepal (BBIN) framework materialised after Pakistan stalled the South Asian Association for Regional Cooperation (SAARC) Motor Vehicle Agreement (MVA) in 2014.
 - **BBIN MVA:** This agreement was in 2015, and it aims for seamless cross-border movement of vehicles, boosting trade, reducing costs/time, enhancing people-to-people contact, and providing port access to Bhutan and Nepal. The Asian Development Bank (ADB) supports this initiative. The finalisation of the operational protocol is settled. Bangladesh, India, and Nepal have ratified it. Although Bhutan has consented, the country has not yet

ratified it due to domestic concerns; it allows the other three (BIN) to proceed while remaining as an observer.⁴⁰ There has been the occurrence of pilot runs. The protocol covers permits, fees, vehicle standards, insurance, and institutional mechanisms. Within two years of 2025, a standard electronic tracking platform is planned.⁴² Infrastructure upgrades and national consensus determine full operationalisation.

- **India-Nepal Connectivity:** As India is Nepal's most significant development partner, connectivity between the two countries is a central pillar. The focus areas are rail, road, energy, and digital links.
 - **Rail Links:** Funded by Indian grants, several cross-border broad-gauge projects are in the process of development.
 - **Jaynagar-Bijalpura-Bardibas (68.72 km):** Phase 1 (Jaynagar-Kurtha, 34.5 km) operational from April 2022. Phase 2 (Kurtha-Bijalpura, 17.3 km) operational from July 2023. Phase 3 (Bijalpura-Bardibas, 17.5 km) work commencement pending.
 - **Jogbani-Biratnagar (18.6 km):** Bathnaha-Nepal Customs Yard section operational for cargo since June 2024. Work on the remaining section to Biratnagar pending.
 - **Raxaul-Kathmandu (136 km):** Final location survey (FLS) report discussed in February 2025.
 - **Janakpur-Ayodhya:** Passenger services for route under discussion.
 - **Other Initiatives:** Several high-impact community Development Projects (HICDPs) across Nepal (hospitals,

schools, etc.) are supported by India. This cooperation is also offered in energy, digital connectivity, and culture.

- **India-Bangladesh Connectivity:** With connectivity as a primary focus, significant progress has been made and is supported by substantial Indian LoCs (around USD 8 billion).
 - **Rail Links:** Building new links while restoring the old ones.
 - **Agartala-Akhaura (12.24 km):** It was inaugurated on Nov 1, 2023. It connects Tripura to Bangladesh, reducing the distance between the NE and Kolkata. It is funded by India. Despite inauguration and trial runs, it remains non-operational. Significant work is pending on the Bangladesh side, while the Indian side is mainly complete. There have been delays due to COVID-19, and the project is stalled after the August 2024 political turmoil in Bangladesh. The timeline of its operation is uncertain, with possible completion by 2026.
 - **Roads:** 'Akhaura-Agartala' corridor, highway upgrades, and integrated check-posts (ICPs) are included in such projects. Congestion within Bangladesh and inadequate border point infrastructure are a few challenges.
 - **Waterways:** Transport is facilitated by the 'Protocol on Inland Water Transit and Trade' (PIWTT). There was an addition of new routes. Maintaining navigability, especially during the dry season, dredging needs, and onward connectivity from terminals are a few challenges.
 - **Ports/ICPs:** While the Bangladesh side lacks (e.g., Benapole), India has modernised (e.g., Petrapole), ICPs, causing bottlenecks. Tripura is connected to Chittagong port through the 'Maitri Setu' bridge.

- **India-Bhutan Cooperation:** The cornerstone of the Indo-Bhutan relationship is hydropower.
 - **Hydropower Projects:** The primary partner is India. 'Chukha' (336 MW), 'Kurichhu' (60 MW), 'Tala' (1020 MW), 'Mangdechhu' (720 MW) are the completed projects. Surplus energy is exported to India from Bhutan.
 - **Ongoing/Planned Projects (Status April 2025):**
 - ***Punatsangchhu-II (1020 MW)*:** About to be complete.
 - ***Punatsangchhu-I (1200 MW)*:** Delayed, due to geological challenges. There is an uncertainty regarding the completion date.
 - ***Kholongchhu (600 MW)*:** Finalised in July 2024, under a joint venture (JV) model; Bhutan's Druk Green Power Corporation (DGPC) (60%) & India's Tata Power (40%). The estimated cost is BTN 70 billion in a 5-year timeline. With the completion target in 2029-2030, construction is expected soon.
 - ***Wangchu (570 MW)*:** A memorandum of understanding (MoU) was signed between DGPC & Adani Group. Potential conversion to a larger reservoir project (900 MW). It will potentially begin around 2027.
 - **Other Infrastructure:** Energy grids, rail, roads, trade infrastructure, and digital links are a few other sectors where cooperation occurs. Regional grids and pumped storage hydropower (PSH) are common areas of interest.

4.4.2 Projects in Southeast Asia

Myanmar is vital for the 'Act East' policy by virtue of being India's land-bridge to Southeast Asia. Meanwhile, the country is severely

plagued by internal conflicts that stagnate the implementation of projects.

- **Kaladan Multi-Modal Transit Transport Project (KMMTTP):** It connects Kolkata port to Sittwe (Myanmar) by sea, then Paletwa by the Kaladan river, and then Zorinpui (Mizoram border) by road. It was conceptualised in 2008. Bypassing the 'Siliguri Corridor,' it provides an alternative route to NE India. Cost ~USD 484-500 million.
 - Completion of Maritime/waterway components (Sittwe port and Paletwa terminal), and inaugurated in May 2023. Due to escalating civil conflict (Arakan Army control), the critical road component (Paletwa-Zorinpui, ~109 km) is stalled. Original deadline was July 2025. Connectivity to the Indian side is mainly complete.
- **India-Myanmar-Thailand (IMT) Trilateral Highway:** Initiated in 2002, the IMT Trilateral Highway is a 1,360-1,400 km road connecting Moreh (India) via Myanmar to Mae Sot (Thailand). Flagship 'Act East' project for trade, tourism, and integration. Extension is likely to be made to Laos, Cambodia, Vietnam.
 - The progress is inconsistent. Two key Myanmar stretches - Tamu-Kyigone-Kalewa (TKK, 149.7 km, including 69 bridges) and Kalewa-Yagyi (120.74 km) are upgraded by India.
 - **Tamu-Kalewa:** By 2017, the road surface was largely completed, but there was a delay in bridge upgrades. By late 2024, the contract was reportedly terminated.
 - **Kalewa-Yagyi:** Most challenging section. Contract awarded 2017/2018. Terrain, monsoons, COVID-19, and conflict in the Sagaing region severely hampered

progress. Due to the Myanmar situation, work is effectively "paused." Further delays are likely caused by the April 2025 earthquake.

- *Myanmar-Thailand Sections:* With Thai assistance, it is largely completed.
- Slow progress of critical Indian-funded sections in Myanmar. No timeline of clear completion. Trilateral MVA is unsettled.

4.4.3 Maritime and Port-led Connectivity

Significant investments are made in maritime links for trade and strategic outreach.

- **India-Sri Lanka Initiatives:** Emphasis on sea links, energy and strategic ports.
 - **Ferry Services:** Resumed in April 2025 after monsoon suspension, the Nagapattinam-Kankesanthurai passenger ferry was launched in October 2023. Plans for a faster ferry and a potential Rameswaram-Talaimannar route revival. It intends to boost tourism, trade, and cultural ties.
 - **Grid Interconnection:** For enhancement of energy security and trade, a pact was signed in April 2025.
 - **Trincomalee Development:** To develop Trincomalee as an "energy hub," a tripartite agreement (India, Sri Lanka, UAE) was signed in April 2025. A framework was developed for cooperation on infrastructure and energy (potential pipeline, refinery, and tank farm utilisation). India was involved in the development of solar plants and temples. It is perceived as a strategic counter to China's Hambantota investments. Investment and expertise are

added by the United Arab Emirates (UAE).

- **Land Connectivity:** Due to internal deliberations, Sri Lanka declined India's proposal in April 2025.
- **India-Maldives Cooperation:** Despite political strains, infrastructure cooperation continues.
 - **Greater Malé Connectivity Project (GMCP) / Thilamalé Bridge:** Known as the flagship of India-Maldives partnership, it is the largest Maldives infrastructure project. 6.74 km bridge linking Malé, Villingli, Gulhifalhu, and Thilafushi. Funded by Indian grants (USD 100 million) & LoCs (USD 400 million). Contract granted to Afcons Infrastructure in August 2021. Construction underway, 52% complete, as of March 2025. Completion is targeted by September 2026. Boost of economy, decentralisation, and ease of living is anticipated.
 - **Other Cooperation:** HICDPs, water, sanitation, maritime security. Challenges are presented as a result of the political climate ('India Out' campaign).
- **Chabahar Port (Iran):** From the strategic point of view, it is a vital port in Sistan-Baluchestan.
 - **Strategic Importance:** Bypassing Pakistan, it provides India with sea-land access to Afghanistan and Central Asia. Pivotal hub for the International North-South Transport Corridor (INSTC). It acts as a deliberate counterbalance to China's Gwadar port (72 km away).
 - **India's Involvement:** Since late 2018, India Ports Global Limited (IPGL) is developing and operating the 'Shahid Beheshti' terminal. A 10-year operating agreement was signed in 2024. ~USD 120 million for equipment was

committed by IPGL; for related infrastructure, India extended USD 250 million in credit. The port is operational and handling significant cargo.

STOP TO CONSIDER

- India's connectivity projects focus on immediate neighbours, key transit routes, and strategic access points.
- The BBIN initiative aims for seamless cross-border movement of vehicles among Bangladesh, Bhutan, India, and Nepal.
- Hydropower projects in Bhutan are a cornerstone of the Indo-Bhutan relationship, with India as the primary partner.
- The Kaladan Multi-Modal Transit Transport Project (KMMTTP) seeks to connect Kolkata to Sittwe in Myanmar and then to Northeast India.
- The Greater Malé Connectivity Project (GMCP) is the largest infrastructure project in the Maldives, funded by Indian grants and LoCs.

CHECK YOUR-PROGRESS

Q.1: What is the BBIN MVA and its primary aim?

Q.2: Which country is India's primary partner for hydropower projects?

Q.3: What is the primary purpose of the Kaladan Multi-Modal Transit Transport Project (KMMTTP)?

SELF ASKING QUESTIONS

What are the implications of delays in the 'Agartala-Akhaura' rail link for India's connectivity with Bangladesh and Northeast India?

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4.5 Strategic Imperatives and Partner Perspectives

India's drive for connectivity with its neighbours emerges from its intertwined political, economic, and strategic goals, which reflect the country's aspirations for regional leadership and its responses to the geopolitical shifts. The involvement of partner countries is based on their national interests, which leads to both alignment and friction.

4.5.1 India's Objectives

- **Economic Rationale (Goeconomics):** Connectivity is crucial for economic growth. Using economic tools for strategic goals or simply the interplay of economics and geopolitics is known as 'goeconomics,' which plays a pivotal role. The goals include boosting low intra-regional trade by curtailing logistics costs, creating regional value chains, attracting investment, accessing resources, and enhancing energy security via grid interconnections and diverse routes, and facilitating exports. Broader goeconomic aspirations are mirrored through initiatives like the India-Myanmar Economic Corridor (IMEC).
- **Strategic Imperatives:** India's connectivity drive with its neighbours is primarily influenced by geopolitics. Negating the BRI is crucial in diminishing China's expanding influence. To maintain its regional importance, India seeks to offer alternative models. Security is maintained and enhanced through projects relating to better border management, counter-terrorism cooperation, and maritime security (coastal

surveillance and port access). Strategic vulnerabilities like the 'Siliguri Corridor' (via KMMTTP and Bangladesh routes) and lack of direct access to Afghanistan and Central Asia (via Chabahar) are addressed.

- **Political Goals:** Successful projects play a pivotal role in shaping and showcasing India as a reliable partner and regional leader, while strengthening bilateral ties and goodwill. It also displays India's commitment to shared prosperity and stability.

4.5.2 Partner Countries' Motivations

Neighbours engage based on diverse calculations -

- **Economic Development:** For all-round infrastructure development, access to Indian finance (grants and LoCs) is essential. Improved connectivity prioritises enhanced trade, lower logistics costs, and better market access (India or global, via Indian ports). This accelerates overall domestic growth in several ways, including the creation of jobs and facilitates internal connectivity, which is very essential for landlocked countries like Nepal and Bhutan.
- **Strategic Balancing:** The neighbouring countries situated between India and China use diplomacy in engaging and maintaining their relations with India to diversify partnerships and avoid over-reliance. They use the competition between India and China by maintaining strategic diplomacy for their autonomy. The key is to avoid alienation of either power.
- **Addressing Specific National Needs:** Projects align with national priorities - hydropower revenue for Bhutan, energy security and post-crisis aid for Sri Lanka, alternative transit and grassroots needs via HICDPs for Nepal, etc.

4.5.3 Convergence and Divergence

Although multiple areas of convergence exist, the many divergences cannot be neglected.

- **Security vs. Economics:** There may be a clash of India's strategic concerns regarding China's influence with neighbours' focus on maximising investment regardless of source.
- **Trade Imbalances:** India's neighbours, like Bangladesh and Nepal, are concerned about persistent deficits favouring India.
- **Implementation Pace:** The slow pace of India's implementation compared to China's is a constant source of frustration.
- **Political Sensitivities:** Projects face several domestic opposition (sovereignty, environment, and local impact) as seen in Bhutan (MVA), Sri Lanka (land bridge), Maldives ('India Out'), or due to former incidents, like the Nepal blockade of 2015. The different opinions and perceptions of what is beneficial is equally a source of divergence and frictions.

Although connectivity initiatives grant neighbours the benefit of economic advantage (finance, infrastructure and trade access) but at the same time, it creates the problem of balancing and navigating through complex domestic and geopolitical situations. The dilemma arises as acceptance of Indian projects may lead to potential development, but at the same time can welcome frictions and likely criticisms (anti-China alignment), domestic backlash (sovereignty/environment), or disappointment over delays. Engaging China's BRI offers rapid development but risks debt and strategic dependence. Partner nations strategically calculate, leveraging offers from both India and China while mitigating risks. India's success depends on attractive proposals, timely execution, and sensitivity to partners' concerns.

STOP TO CONSIDER

- India's connectivity drive is fueled by economic, strategic, and political objectives, including boosting trade and countering China's influence.
- 'Goeconomics' plays a pivotal role, using economic tools for strategic goals.
- Neighbouring countries engage with India for economic development, financial assistance, and strategic balancing against other powers.
- Areas of divergence include trade imbalances, the pace of implementation, and political sensitivities.
- Partner nations navigate the complex dynamics between India and other powers to maximise their national interests.

CHECK YOUR PROGRESS

Q.1: What is 'goeconomics' in the context of India's connectivity drive?

Q.2: Why do India's neighbours engage with India's connectivity projects?

Q.3: What is a key area of divergence between India and its partners regarding connectivity projects?

SELF ASKING QUESTIONS

How does India's goeconomic approach differ from a purely economic approach to connectivity in the region?

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4.6 Challenges in Project Implementation

The connectivity project of India regarding its neighbours faces several challenges that span from geopolitics, politics and security to execution, bureaucracy and technical issues, which are mostly interconnected in nature.

4.6.1 Geopolitical Dynamics: The China Factor

The presence of China in the geopolitical arena directly and indirectly affects India's stance. At the same time, it also impacts India's significance as several Indian initiatives are framed as alternatives to China's BRI, leading to direct competition. China's larger financial capacity adds to India's list of challenges, even when India provides advantages like proximity, culture, and potentially more sustainable models. BRI projects like the China-Pakistan Economic Corridor (CPEC) and the Hambantota port raise strategic concerns for India (sovereignty, "encirclement," etc.). China's ever-expanding IOR presence challenges India's regional role. This competition between the two countries motivates the neighbours to invest strategically. Measures taken by other powers, like potential United States (US) sanctions waiver revocation for the Chabahar port project, also create uncertainty for India.

4.6.2 Execution Challenges

- **Funding and Financial Constraints:** Even though India provides grants and LoCs to its neighbours, its capacity, as equated with China, is often seen as limited. This demands seeking alternative financial aid (JVs, partnerships, multilateral banks). Budget excesses are also common (e.g., KMMTTP, 'Punatsangchhu' projects).

- **Implementation Delays:** Compared to China, implementation delays of India are one of its weaknesses as well. Numerous flagship projects suffer extensive delays (KMMTTP, IMT Highway, 'Agartala-Akhaura' Rail, 'Punatsangchhu-I').
- **Land Acquisition:** In complex federal systems like India, with sensitive land rights, land acquisition becomes a significant challenge as well. It can delay several crucial projects (potential issue for IMT in Thailand, NE India border projects).
- **Environmental Clearances and Concerns:** It is a prolonged process, mainly in fragile zones, like the environmental concerns that fueled Bhutan's BBIN MVA opposition. Additionally, climate change (glacial melt and extreme rainfall) poses a great deal of threat and risks, especially to Himalayan hydropower.

4.6.3 Political and Security Risks

- **Instability in Partner Countries:** The civil war in Myanmar severely impacts the KMMTTP and the IMT Highway. At the same time, the political turbulence in Bangladesh has stagnated the development of the 'Agartala-Akhaura' rail operationalisation. In Iran, Chabahar's utility is affected by Afghanistan's instability. The constant instability in Pakistan, at the same time, hinders broader regional cooperation.
- **Security Threats:** Border regions (India's NE, etc.) are often the hotspot of insurgency, terrorism, and trafficking, hence adding to their vulnerabilities and creating risks for projects and personnel. Various examples of security threats in border areas point towards the requirement for investment in border security.

- **Domestic Political Opposition:** The domestic political environment of a nation, at times, acts as a barrier in the development of projects, which often face opposition due to sovereignty concerns or protectionism. At the macro level, regime changes can alter priorities or lead to project reviews.

4.6.4 Bureaucratic and Coordination Issues

- **Coordination Deficits:** Coordinating and managing large projects across borders requires seamless cooperation among numerous agencies related to the Union and the State governments, public sector undertakings (PSUs), private firms, banks, and partner country agencies. It is often a very complex and lengthy process. Reinforcing and strengthening the joint monitoring mechanisms is challenging.
- **'Soft Infrastructure' Gaps:** Alongside the 'hard infrastructures,' triumph in coordination essentially depends on 'soft infrastructures' like those of institutions, policies, regulations, standards, procedures, and human capital.

4.6.5 Technical and Logistical Bottlenecks

- **Rugged Terrain:** The challenging geographical terrains and natural geographical barriers often act as the primary concerns, as one can see in the case of the Himalayas and NE India, which massively increase difficulties regarding construction, costs, and timelines.
- **Infrastructure Mismatches:** The different rail gauges and road width standards require costly upgrades and often create interoperability issues. Capacity mismatches at borders create congestion.

- **Customs and Transit Procedures:** Complex and composite, non-harmonised customs regulations and lengthy procedures create additional issues with increased cost and time. Specific agreements on duties, charges and regulations are required for practical implementation, even though international law recognises 'transit rights' (e.g., General Agreement on Tariffs and Trade). This can be a complex process. The main challenge is confirming smooth transit.

All these challenges are interrelated. Geopolitical competition amongst countries can put stress on finances. Vulnerabilities concerning security are the leading cause of delays and risks. Bureaucratic and soft infrastructure gaps hinder the utilisation of completed hard infrastructure. Further delays are fuelled by domestic opposition from rivals and other related issues. The issues regarding finances and funding can worsen political sensitivities. Overall, these issues demand a holistic and integrated approach that concurrently addresses issues concerning engineering, financial, geopolitical, security, political, and bureaucratic dimensions.

STOP TO CONSIDER

- Geopolitical dynamics, particularly China's BRI, present significant competition and strategic concerns.
- Execution challenges include funding constraints, implementation delays, land acquisition issues, and environmental clearances.
- Political and security risks arise from instability in partner countries, security threats in border regions, and domestic political opposition.
- Bureaucratic and coordination issues hinder smooth project management and require 'soft infrastructure' development.

- Technical and logistical bottlenecks like rugged terrain, infrastructure mismatches, and complex customs procedures further complicate project implementation.

CHECK YOUR PROGRESS

- Q.1:** How does China's BRI affect India's connectivity initiatives?
- Q.2:** What is a major execution challenge faced by India's connectivity projects?
- Q.3:** What kind of political risks do connectivity projects face?

SELF ASKING QUESTIONS

How do domestic political factors in India itself contribute to delays in regional connectivity projects?

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4.7 Impact Evaluation: Realised and Potential Gains

The neighbourhood connectivity projects of India guarantee remarkable economic, strategic and social benefits, but overall success is obstructed due to implementation challenges. Proper assessment is crucial in identifying potential gains and differentiating it from achieved outcomes.

4.7.1 Economic Outcomes

- **Trade Enhancement:** Its goal is to enhance low intra-regional trade by reducing logistics costs and time. Potential gains are essential to development (e.g., India-Bangladesh trade could

increase significantly with better transport). BBIN MVA facilitates vehicle movement; 'Agartala-Akhaura' rail shortens NE-Kolkata distance; Chabahar port offers trade route to Central Asia. Full impact is often not reached due to delays and incomplete infrastructure.

- **Regional Value Chains and Investment:** It enhances regional production networks and integrates South Asia into global value chains. Better infrastructure can draw in more investment. IMEC aims for such collaboration.
- **Economic Development and Livelihoods:** Infrastructure development is crucial as it revives GDP and aids in the creation of jobs. It assists with the goals of partner nations.¹ For instance, hydropower is the key to generating revenue for Bhutan. Enhanced connectivity energises sectors like tourism. HICDPs aid local access to essential services in Nepal.

4.7.2 Strategic Implications

- **Regional Influence and Balancing:** Successful projects stimulate India's position in geopolitics as a regional leader and reliable partner. By offering potential substitution to China's BRI, it limits Beijing's influence. Economic cooperation and interdependencies create leverage. Tactical assets like Chabahar amplify geopolitical alternatives.
- **Security Cooperation and Stability:** Developing border infrastructure is crucial as it helps in border management, surveillance, and counter-smuggling/insurgency efforts. Maritime domain awareness (MDA) is improved by maritime connectivity and initiatives. The development of infrastructure and cooperation constructs the concrete foundations for broader security collaboration.

4.7.3 Social Dimensions

- **People-to-People Contact:** It is crucial and is aided by accessible and cost-efficient cross-border travel (e.g., India-Sri Lanka ferry, simplified border procedures). The concrete ties built through tourism, student exchanges, and cultural programs across countries strengthen 'soft power.'
- **Improved Access and Quality of Life:** Improved access to healthcare, education, water, etc. is aided through infrastructures like the HICDPs.

4.7.4 Contribution to Regional Integration

The active instrument of connectivity can counter South Asia's diplomatic challenges. With SAARC's stagnation, sub-regional initiatives like BBIN are a potential alternative. It actively aims to intertwine the region together. But the overall success has not materialised due to Pakistan's exclusion.

A vital difference does exist between the aspirations and the outcomes. Attention to trade and growth is crucial, but at the same time, challenges regarding implementation mean failure in meeting the desired outcomes. This stagnation in implementation places India's 'infrastructure diplomacy' on shaky grounds.

STOP TO CONSIDER

- Connectivity projects aim to enhance trade by reducing logistics costs and time, but full potential is often unrealised due to delays.
- Strategic implications include increased regional influence, balancing against other powers, and enhanced security cooperation.

- Social dimensions include improved people-to-people contact and access to essential services.
- Connectivity initiatives can contribute to regional integration, but overall success is hindered by political challenges and implementation issues.
- A gap exists between the aspirations and actual outcomes of connectivity projects.

CHECK YOUR PROGRESS

Q.1: What is the primary economic outcome India hopes to achieve through connectivity projects?

Q.2: How does improved connectivity help India's strategic goals?

Q.3: What is a social dimension benefit of connectivity projects?

SELF ASKING QUESTIONS

Why is the realisation of economic gains from connectivity projects often less than initially anticipated?

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4.8 India's 'Infrastructure Diplomacy'

'Infrastructure diplomacy' uses infrastructure development (funding, construction, and operation) to achieve foreign policy goals, grow influence, and foster improved relationships. India's approach to infrastructure diplomacy differs from that of China.

4.8.1 India's Approach

India places importance on partnerships, consultations, and meeting the demands of recipients. The 'Neighbourhood First' policy aims at a consultative and outcome-oriented approach. Funding includes grants, concessional LoCs, and JVs (public/private sector). It focuses on 'hard' (physical) and 'soft' (policies, regulations, and capacity) infrastructure. It uses historical and cultural ties and capacity-building as its leverage. To pool resources and offer substitutions to China, it increasingly aligns with multilateral frameworks (e.g., Quad, I2U2, IMEC).

4.8.2 Comparison with China's BRI

- **Scale and Speed:** The Belt and Road Initiative of China works on a larger financial scale and is often seen as faster, but with its quality and sustainability concerns.
- **Financing Models:** BRI heavily depends on loans, raising concerns of a 'debt trap.' Meanwhile, India uses mixed financing (grants, LoCs), making itself more transparent and reliable, even though the use of loans has increased in some areas.
- **Conditionalities and Transparency:** BRI is criticised for being opaque, unreliable, and corrupt. India's emphasis on consultation and sovereignty has many a time tagged it as interventionist.
- **Strategic Goals:** Both countries use infrastructure strategically. While China's BRI has a more global approach with reshaping trade routes, India's focus is more regional (South Asia, Southeast Asia, IOR), which often acts as a direct alternative and response to China.

4.8.3 Strengths and Weaknesses of India's Model

- **Strengths:** Leveraging soft power, cultural ties, and democratic alignment, the partnership approach can lead to better-aligned, sustainable projects. Mixed funding is attractive to debt-conscious nations. Offering substitutions provides neighbours with multiple strategic choices.
- **Weaknesses:** Delays in implementation affect credibility. Financial constraints hinder project scale. Bureaucratic and coordination challenges stagnate progress.

India's infrastructure diplomacy, hence, faces the dilemma of promoting sustainability versus the need for speed. Its transparency, consultation, and viability model aligns best with practices, but is time-consuming.

STOP TO CONSIDER

- India's infrastructure diplomacy emphasises partnerships, consultations, and meeting recipient demands, with a focus on both 'hard' and 'soft' infrastructure.
- India's approach differs from China's BRI in scale, financing models, transparency, and strategic goals.
- India's model relies on mixed funding (grants, LoCs) and leverages cultural ties and capacity-building.
- Strengths of India's model include its partnership approach and mixed funding, attractive to debt-conscious nations.
- Weaknesses include implementation delays, financial constraints, and bureaucratic challenges.

CHECK YOUR PROGRESS

Q.1: What is the primary financing method used by India in its infrastructure diplomacy?

Q.2: How does India's infrastructure diplomacy differ from China's BRI regarding transparency?

Q.3: What is a weakness of India's infrastructure diplomacy model?

SELF ASKING QUESTIONS

How does India's focus on capacity-building in its infrastructure diplomacy differ from China's approach?

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4.9 Summing Up

After reading this unit you have learnt that Connectivity is key to India's 21st-century foreign policy. India has launched several road, rail, maritime, energy and digital projects to counter regional fragmentation, boost growth, enhance influence, and foster ties. Further, there has been significant progress in conceptualisation, agreements, and initial construction of new projects. However, seamless regional connectivity is sometimes met with significant hurdles. Implementation of projects could be obstructed due to geopolitical competition, security instability, and political sensitivities within partner nations. These create a division between potential aspirations and realised results.

India's connectivity focus will likely remain concrete with new avenues and deeper regional integration. The success of this focus is

dependent on addressing the implementation deficit by refining bureaucracy and improving project management and coordination. Negotiating a complex geopolitical environment is essential in adapting to major global powers' policy shifts, managing China's influence, and responding to regional instability. Partnerships with friendly countries will be increasingly crucial for India for resources, expertise, and offering fruitful alternatives. Finally, India's agenda requires moving beyond rough blueprints and achieving efficient results. The key challenges can be eradicated by overcoming mistrust and managing rivalries in India's neighbourhood. The holistic success of India's infrastructure diplomacy depends on generating demonstrable benefits and solidifying its regional role.

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UNIT: 5

INDIA AND ITS NEIGHBOURS: GLOBAL WARMING AND CLIMATE CHANGE

Unit Structure:

5.1 Introduction

5.2 Objectives

5.3 India and its Neighbours in the Context of Climate Change: An Overview

5.4 Understanding the Effects of Climate Change and Global Warming on India and its Neighbours

5.5 India's Role in Addressing Climate Change Challenges in its Neighbourhood

5.5.1 India's Role in Shaping Global Climate Negotiations and its Climate Action

5.5.2 India's Initiatives in Addressing Climate Change Challenges in its Neighbourhood

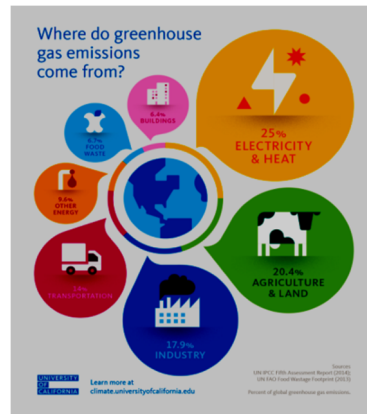
5.6 Competitive and Cooperative Dynamics between India and its Neighbours in Addressing Climate Change Challenges

5.7 Summing Up

5.8 References and Suggested Readings

5.1 Introduction

Climate change encompasses broader changes in the Earth's climate patterns driven by both natural processes and human influence. Rising land and ocean temperatures, rising sea levels, loss of ice at the Earth's poles and glaciers, and



extreme weather events like flooding, stronger and more frequent storms, altered rainfall patterns, intense droughts, water scarcity, severe wildfires, and heat waves are all indicators of climate change. Since the 1800s, the main contributor to climate change has been human activities like using fossil fuels such as coal, oil, and gas. Greenhouse gases (like carbon dioxide and methane), which are produced when fossil fuels are burned, encircle the Earth like a blanket, trapping solar heat and causing temperatures to rise and eventually leading to global warming. The Earth's average surface temperature is currently 1.2°C warmer than before the industrial revolution in the late 1800s.

Due to its geographic location, economic growth, and diverse ecosystems, India is susceptible to the effects of climate change and global warming. India is deeply interconnected with its immediate neighbours that have been facing severe climate risks. The impacts of global warming are felt through erratic weather, increased flooding, droughts, and unpredictable monsoon cycles, which have profound effects on agriculture, water resources, and livelihoods. India's role is crucial in addressing climate change for the stability and sustainability of its neighbourhood. Its initiatives to cut emissions, switch to renewable energy, and build climate resilience can serve as a potent model for other countries in the region. India's leadership in international climate negotiations has the potential to drive collective action in its neighbourhood, fostering regional cooperation to address common environmental challenges.

5.2 Objectives

This unit is an attempt to analyse how climate change and global warming are influencing India and its neighbourhood. After going through this unit, you will be able to -

- *discuss* the effects of global warming and climate change on India and its neighbours;
- *explain* the role of India in navigating the challenges of climate change and global warming in its neighbourhood;
- *analyse* the competitive and cooperative dynamics between India and its neighbours in addressing climate change challenges.

5.3 India and its Neighbours in the Context of Climate Change: An Overview

India's neighbourhood includes a wide variety of ecosystems, from the high-altitude Tibetan plateau in the north to the tropical coasts in the south. It is inhabited by over a quarter of the world's population and is one of the most vulnerable regions when it comes to the impacts of global warming and climate change due to its geophysical environment, socioeconomic status, and demographic backwardness of its population. The interconnectedness of this vast region's ecosystems, economies, and communities makes it particularly susceptible to the rising threats of extreme weather events, shifting monsoon patterns, and sea level rise. The region's rivers, many of which originate in the Himalayan mountain range, flow across national borders, linking countries like China, India, Pakistan, Bangladesh, Nepal, and Bhutan. These shared water resources, regional trade and agricultural dependencies create a complex web of interrelations. Climate impacts in one country can quickly ripple through neighbouring countries, making coordinated action essential.

For example, the interconnectedness of economies means that disruptions in one country, such as crop failures or energy shortages, can quickly spread to others, further straining resources and

economic stability. Furthermore, the people of this region, particularly those in rural areas, are deeply connected to their environments, relying on agriculture, fisheries, and natural resources for their livelihoods. Communities living in flood-prone coastal zones, mountain regions vulnerable to glacial melt, and arid areas suffering from water scarcity are facing immediate challenges. The disruption of these local ecosystems and economies amplifies the climate crisis, creating an urgent need for resilience-building and cooperative efforts. Human health, food security, energy, water, agricultural productivity, biodiversity, and coastal arrangements will all be at risk, which will lead to more migrations and more strain on major cities.

STOP TO CONSIDER

India shares land borders with Bangladesh (4,096.7 km, which is the longest among its neighbours), Bhutan (699 km), China (3,488 km), Myanmar (1,643 km), Nepal (1,751 km), and Pakistan (3,323 km). India shares maritime borders with Bangladesh, Myanmar, Sri Lanka and the Maldives. India also shares maritime borders with Indonesia and Thailand.

The region has already seen significant temperature increases, with warming trends more pronounced in the Himalayan and coastal areas, exacerbating droughts, heat waves, and cyclones. Cyclone Amphan, which struck in May 2020, caused widespread devastation in India and Bangladesh, affecting over 10 million people. It destroyed homes, infrastructure, and crops and led to significant loss of life. The cyclone's impact underscored the vulnerability of coastal communities and highlighted the urgent need for stronger

disaster preparedness. Climate change has also been affecting the sharing of common resources, particularly water. As temperatures rise and glaciers in the Himalayas melt, the flow of transboundary rivers, such as the Indus, Ganges, and Brahmaputra, is becoming increasingly erratic.

Countries that rely on these rivers for agriculture, drinking water, and energy generation are facing the possibility of reduced water availability, especially during dry seasons or periods of drought. For instance, as glaciers in the Himalayas recede, countries like India, Nepal, and Pakistan could see fluctuations in river flow, which may lead to conflicts over water allocation. While the interconnectedness of the region and climate change challenges create potential for conflict, they also offer opportunities for regional cooperation, such as joint water management agreements, disaster response collaboration, and shared renewable energy projects, to ensure equitable access to resources and promote collective action.

Additionally, changing monsoon patterns can disrupt seasonal water supply, creating tensions between neighbouring countries over how to distribute this shared resource. Rising sea levels may also exacerbate the salinization of freshwater sources in coastal areas, further complicating resource sharing among countries like India, Bangladesh, and Sri Lanka. For example, Bangladesh and parts of eastern India, such as West Bengal, already face significant saltwater contamination of freshwater aquifers, which affects agriculture, drinking water, and local fisheries. The same issue extends to Sri Lanka's coastal areas, where saltwater intrusion is damaging the agricultural sector, especially in the northern and eastern parts of the island. These challenges present opportunities for cooperation, as these countries share similar environmental

vulnerabilities and rely on the same marine resources for fishing, aquaculture, and trade.

SELF ASKING QUESTION

Q.1. How can India and its neighbouring countries ensure that all countries have equitable access to the limited and increasingly scarce resources like water and fisheries? (100 words)

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Q.2. What according to you are the challenges to equitable access to resources in South Asia? (100 words)

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5.4 Understanding the Effects of Climate Change and Global Warming on India and its Neighbours

India and its neighbours experience common impacts of climate change. Major common concerns are water scarcity, extreme weather-induced disasters and threatened food security as discussed in the aforementioned section (1.3). In the case of food security, erratic rainfall, delayed or insufficient monsoons, and prolonged droughts are affecting crop yields, particularly for staple foods like rice and wheat. This threatens food security across countries such as India, Pakistan, Bangladesh, and Nepal. In Pakistan, wheat production has been severely impacted by rising temperatures, as the crop is highly sensitive to heat stress. In Bangladesh, extreme heat and humidity affect rice cultivation, as heat stress damages the grain's development. These climate-induced changes in agriculture

reduce the availability of food, increase prices, and exacerbate poverty, undermining food security and potentially leading to increased hunger, malnutrition, and social instability.

For instance, climate change is one of the reasons for poor nutrition outcomes, especially among vulnerable populations such as children and women. The decline in crop yields due to erratic weather patterns has resulted in a rise in malnutrition rates, particularly in rural areas. Countries like Bangladesh, Pakistan, Nepal and India reflect consequential hunger situations according to the Global Hunger Index (GHI) 2023. Social instability has also been observed in the form of protests and unrest due to the rising cost of food, particularly in the wake of crop failures and price hikes. These challenges underscore how climate change exacerbates existing vulnerabilities, leading to not only food insecurity but also increased risks of social conflict, migration, and heightened inequality.

STOP TO CONSIDER

According to the Global Hunger Index (GHI) 2023, India ranked 111th out of 125 countries with a GHI score of 28.7 and Pakistan followed at 102nd with a GHI score of 26.6, both indicating a serious level of hunger. Bangladesh, ranked 81st, and Nepal, ranked 69th, show moderate hunger levels. Despite being large economies, countries like India and Pakistan are struggling with food insecurity, largely due to factors such as climate change, poor nutrition, and inadequate healthcare.

India and its neighbours also experience some unique impacts of climate change due to diverse geographical and economic factors. For instance, Nepal has mountainous terrain and is dependent on glacial water resources. The rapid melting of glaciers in the

Himalayas has become a major concern, as it contributes to the increased frequency of glacial lake outburst floods (GLOFs) that pose direct threats to local communities, infrastructure, and agriculture. Nepal's dependence on agriculture for its economy makes it increasingly vulnerable to the unpredictable climate, highlighting the urgent need for regional collaboration in water resource management and climate adaptation strategies. As Nepal's hydropower potential is central to its economic future, fluctuations in water availability for power generation could strain regional energy cooperation with India.

Bangladesh is a low-lying country located at the confluence of the Ganges, Brahmaputra, and Meghna rivers that drain into the Bay of Bengal, making it highly susceptible to rising sea levels, river flooding, storm surges, saltwater intrusion and intensified cyclones. Rising sea levels are expected to further inundate coastal areas, displacing millions of people and exacerbating food and water insecurity. Given its shared borders with India, the two countries must manage the shared water resources of these rivers to avoid conflicts over water allocation, especially during times of drought or excessive flooding. Bangladesh's agriculture, particularly rice farming is heavily dependent on the availability of fresh water, and any disruption to the water supply will exacerbate poverty and migration, creating social and economic tensions in the region.

STOP TO CONSIDER

According to a recent UNICEF report (2019), although Bangladeshis have shown remarkable resilience, more funding and creative initiatives are needed to prevent the threat that climate change poses to the country's youngest residents; over 19 million children are affected by climate change-related disasters. The

country's storm-ravaged coastline in the Bay of Bengal and the flood-prone and drought-prone lowlands in the north are both at risk.

Pakistan is particularly vulnerable to the impacts of climate change, with its arid and semi-arid regions suffering from recurring droughts, extreme heat, and reduced water availability. The melting of glaciers in the Hindu Kush and Karakoram mountains is a major concern, as Pakistan depends on glacial-fed rivers like the Indus for agriculture and drinking water. As temperatures rise, the water flow in the Indus River system may become more erratic, creating tensions with neighbouring India over water-sharing agreements. Its agriculture is highly sensitive to changing precipitation patterns, which can cause crop failures and threaten food security. These issues underscore the need for greater cooperation and understanding between India and Pakistan in managing shared water resources amidst the growing climate crisis.

Sri Lanka is an island nation that faces the dual challenges of rising sea levels and changing weather patterns. Coastal erosion, saltwater intrusion into freshwater aquifers, and the displacement of communities from low-lying areas are significant concerns. Sri Lanka's agricultural sector, particularly in the northern and eastern parts of the island, is also threatened by erratic rainfall and droughts, which affect crop yields and food security. The country shares maritime resources with India and Bangladesh, and as sea levels rise, competition over fishing zones, marine resources, and territory could create tensions. Rising sea levels are also threatening Myanmar's coastal communities, which rely on agriculture, fishing, and tourism for their livelihoods. The altered monsoon patterns are expected to have significant impacts on food security and water resources in Myanmar, especially in areas already facing water scarcity. As Myanmar shares borders with Bangladesh, India, and

China, the need for transboundary cooperation on climate change adaptation, particularly regarding river management, disaster preparedness, and resource sharing, is increasingly important.

While Bhutan is responsible for only a small fraction of global emissions, it has been greatly affected by changing climate patterns. The country's economy is largely reliant on agriculture and hydropower, both of which are being significantly impacted by climate change. Glacial retreat in Bhutan's northern mountains is a critical concern, as it leads to the formation of glacial lakes that pose the risk of outburst floods. The country's rivers, which are vital for hydropower generation and agriculture, are also at risk of altered flow patterns due to warming temperatures. Additionally, Bhutan's extensive forests, which act as carbon sinks and play a crucial role in regulating the local climate, are facing growing pressures from rising temperatures and altered precipitation. Extreme weather events such as floods, landslides, and erratic rainfall are becoming more frequent, threatening agricultural production, which is a major source of livelihood for Bhutan's rural population. Given Bhutan's reliance on water resources shared with neighbouring countries like India, managing these resources cooperatively is crucial for the kingdom's adaptation to climate impacts, highlighting the need for greater regional collaboration.

SELF ASKING QUESTION

Q. 1. How is climate change affecting the livelihoods and daily lives of rural communities in South Asia? (200 words)

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Q.2. How different geographical factors determine the impact of climate change in India's neighbours? (200 words)

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The impacts on India are unique compared to its neighbours due to its vast geographic diversity, large population, and the critical importance of agriculture to the economy. Unlike some of its neighbours, such as Bangladesh, which faces catastrophic flooding from rising sea levels in its densely populated low-lying delta, India's challenges include both the threat of coastal inundation and extreme droughts in its inland regions. As temperatures rise, Himalayan glaciers in China, the source of major rivers such as the Brahmaputra, Indus, and Ganges, are melting quickly. It presents risks for the downstream countries, especially India and Pakistan, who depend on these rivers for energy production, drinking water, and agriculture. As has happened with India over the Brahmaputra River, changes in the flow of water from the Tibetan Plateau may cause conflicts between China and its neighbours over water-sharing arrangements.

As the third-largest emitter of greenhouse gases in the world, responsible for around 7 per cent of global carbon dioxide emissions, India faces a unique challenge in addressing both the impacts and the causes of climate change. Average temperatures in India have risen by approximately 0.7°C over the past century, with projections suggesting an increase of 2-4°C by the end of the century if current trends continue. This warming has led to an increase in the frequency and intensity of heat waves, particularly in northern and central India. The agricultural sector, which employs nearly 50 per cent of India's workforce, is highly vulnerable to

changing rainfall patterns, prolonged droughts, and unpredictable monsoons.

The effects of climate change and global warming on India and its neighbouring countries are profound and far-reaching, with consequences for both the environment and socio-economic stability. The interconnectedness of these countries means that cooperative action is essential to mitigate the impact of climate change and promote resilience and it becomes increasingly vital for India and its neighbours to collaborate on addressing the challenges of climate change and prioritize resilience and regional stability.

CHECK YOUR PROGRESS

Q.1. Discuss the effects of rising sea level on India and its neighbours.

Q.2. How is global warming impacting the livelihoods of people in India and its neighbouring countries?

5.5 India's Role in Addressing Climate Change Challenges in its Neighbourhood

India shares critical transboundary resources with its neighbours, making its actions in climate policy, resource management, and sustainability essential for the stability of its neighbourhood. Its leadership is crucial in mitigating the effects of climate change and fostering resilience across its neighbourhood not only due to its size and population but also due to its strategic geographical position, economic influence, and its ability to shape policy discussions in driving collective climate action. The next sub-section explains how India's leadership in global climate negotiations supports the climate resilience of its neighbourhood and how its climate action

can serve as an example in addressing the challenges of climate change in its neighbourhood.

5.5.1 India's Role in Shaping Global Climate Negotiations and its Climate Action

India has played a key role in global climate negotiations, advocating for fairness and international cooperation to tackle climate change. The country has consistently pushed for developed nations to take on more responsibility for reducing emissions and providing financial and technical support to developing countries. One of India's significant contributions was during the Paris Agreement in 2015, where it helped shape the final deal. India successfully advocated for the principle of "common but differentiated responsibilities", which states that all countries must act to fight climate change, but developed countries should bear a larger share of the effort due to their historical emissions. This approach has reinforced India's commitment to climate justice and helped ensure that the global response to climate change is fairer and more equitable.

India's leadership in global climate justice is its vocal support for the principle of equity and fairness in climate negotiations, particularly at the United Nations Climate Change Conference (COP21) in 2015. It is not limited to its own climate actions but also extends to its neighbourhood, where it actively supports its neighbouring countries in global climate negotiations. India's stance on ensuring 100 billion dollars per year in climate financing for developing countries resonates deeply with its neighbours who are among the most vulnerable to climate change impacts. By pushing for developed nations to fulfill their promises, India helps ensure that its neighbours have access to the necessary resources for

climate mitigation and adaptation efforts. India's efforts in global climate negotiations have a direct positive impact on the countries in its neighbourhood by calling for historical emitters to bear the greatest responsibility and promoting a just and equitable approach to climate action. India has demonstrated that its leadership in global climate negotiations is essential not only for its future but also for the stability and resilience of its neighbourhood.

STOP TO CONSIDER

The Paris Agreement is a legally binding global treaty on climate change, adopted by almost all countries in December 2015 at the 21st Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change (UNFCCC). Its main objective is to curb global warming and minimize the harmful effects of climate change through international cooperation. In 2020, the Paris Agreement officially entered into force after enough countries had ratified it.

India's commitment to global climate action is demonstrated through its Nationally Determined Contributions (NDCs) under the Paris Agreement, where the country has set a clear path to reduce emissions and transition to a low-carbon economy. India has pledged to reduce the carbon intensity of its GDP by 33-35 per cent by 2030, compared to 2005 levels. This target underscores India's determination to distinguish its economic growth from carbon emissions. In addition, India has committed to sourcing 50 per cent of its total energy capacity from non-fossil fuel sources by 2030. This includes a significant push towards scaling up renewable energy, with a specific focus on solar, wind, and hydroelectric power. To achieve this, India has set a target to install 500 gigawatts

(GW) of renewable energy capacity by 2030, which includes 175 GW of solar energy and 60 GW of wind energy. This position is reinforced by the launch of the National Solar Mission, which aims to further increase the solar energy capacity. India is a founding member of the International Solar Alliance (ISA), an initiative launched by India to promote the use of solar energy globally, especially in countries that receive abundant sunlight but lack access to affordable clean energy. The ISA, with over 120 countries, aims to scale up solar energy capacity and facilitate the sharing of resources, knowledge, and technologies.

India is also working on improving energy efficiency through its Perform, Achieve and Trade (PAT) Scheme, which is aimed at reducing energy consumption in energy-intensive industries. India's Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) Scheme is another key initiative aimed at reducing emissions from the transport sector, with plans to increase the adoption of electric vehicles (EVs) across the country. India's climate action is further bolstered by its investment in climate-resilient infrastructure and the adoption of green technologies. The National Action Plan on Climate Change (NAPCC), which focuses on eight core missions related to energy efficiency, sustainable agriculture, and water conservation, is guiding India's approach to addressing climate change domestically while fulfilling international commitments. India's efforts to cut emissions are not limited to renewable energy and energy efficiency initiatives; the country is also working on reducing emissions from key sectors such as agriculture, forestry, and waste management. For example, the National Mission for Sustainable Agriculture (NMSA) is promoting climate-smart agricultural practices to reduce methane emissions, increase water-use efficiency, and build resilience in the face of changing weather patterns.

Through these initiatives, India is working to meet its climate targets as well as set an example for its neighbours in South Asia on how developing countries can take meaningful action to combat climate change while pursuing economic growth. By investing in large-scale solar and wind energy projects, India is demonstrating that transitioning to cleaner energy sources is both economically viable and necessary for sustainable development. India has implemented the National Wind-Solar Hybrid Policy to encourage the development of hybrid renewable energy systems that combine wind and solar power. This policy aims to optimize the use of available land and enhance grid stability. India's renewable energy projects not only support its own climate goals but also provide a blueprint for its neighbours to reduce emissions and promote sustainable development across the region.

CHECK YOUR PROGRESS

Q.1. How is India influencing global climate negotiations to the benefit of its neighbouring countries?

Q.2. How is India addressing the challenges of climate change through its climate action initiatives?

Q.3. What are the eight core missions of the National Action Plan on Climate Change (NAPCC) of India?

5.5.2 India's Initiatives in Addressing Climate Change Challenges in its Neighbourhood

India has actively contributed to various initiatives to address climate change challenges in its neighbourhood. Its initiatives in its neighbourhood focus on fostering cooperation in areas such as disaster management, climate change mitigation, and sustainable

development. India plays a pivotal role in strengthening climate resilience in its neighbourhood by providing financial, technical, and humanitarian assistance to its neighbours. Below are some examples of India's initiatives aimed at addressing the challenges of climate change:

(i) The International Solar Alliance (ISA): India, as the founding member of the International Solar Alliance (ISA), has been instrumental in its establishment and growth. Its leadership in the ISA has resulted in substantial investments in solar infrastructure, the exchange of technology, and the development of skills, enabling neighbouring South Asian countries such as Bangladesh, Nepal, Sri Lanka, and the Maldives to tap into solar energy to meet their increasing demands. These countries benefit from India's financial aid, technology transfer, and expertise, which helps them expand solar initiatives, decrease reliance on fossil fuels, and enhance energy security. India has supported Sri Lanka, Bangladesh, and Nepal in developing solar power infrastructure by sharing its expertise. For example, India assisted these countries with the installation of solar micro-grids in rural areas, providing affordable energy solutions and reducing carbon emissions.

Additionally, India organizes training programs for engineers and technicians from neighbouring countries to enhance their skills in designing and implementing solar projects effectively. India's Green Grids Initiative-One Sun, One World, One Grid (GGI-OSOWOG) can further benefit India's neighbours by enabling them to access clean, renewable energy through an interconnected solar grid, overcoming resource limitations. Countries like Nepal and Bhutan can rely on solar energy from India and Bangladesh, while solar-rich nations can export surplus energy, ensuring energy security and promoting climate resilience. By leveraging India's technological expertise, financial resources, and leadership, countries can

transition to clean, affordable energy, thereby reducing their carbon footprint, enhancing energy security, and contributing to the global fight against climate change.

(ii) Disaster Management: India consistently offers humanitarian aid and relief to its neighbouring countries during natural disasters. For instance, India assisted after Cyclone Nargis in Myanmar in 2008, as well as in 2020 when it supported Bangladesh following Cyclone Amphan. Additionally, India's National Disaster Response Force (NDRF) has been deployed in neighboring nations to assist with on-the-ground disaster relief and recovery efforts. India plays a key role in disaster management through the SAARC Disaster Management Centre, where it collaborates with neighbouring countries to enhance disaster response and risk reduction strategies. It supports the development of early warning systems, such as the Indian Tsunami Early Warning System (TEWS) operated by the Indian National Centre for Ocean Information Services (INCOIS). Since 2007, this system has provided real-time tsunami alerts to Indian Ocean countries, helping to mitigate loss of life through timely warnings based on seismic and tide data.

India has established bilateral disaster management agreements with neighbouring countries like Nepal, Bangladesh, and Sri Lanka. For example, in the India-Nepal agreement, India has provided technical expertise, rescue operations, and infrastructure rebuilding assistance during major disasters, such as the 2015 earthquake. Similarly, India collaborates with Bangladesh and Sri Lanka on joint disaster management efforts, including flood preparedness, sharing early warnings, and providing technical support in building resilient infrastructure. It conducts joint training programs and workshops to enhance disaster management capabilities in neighbouring countries. For example, India's National Disaster Response Force (NDRF) has collaborated with Bangladesh on disaster response training, focusing

on areas such as search and rescue operations, flood management, and emergency relief. In 2017, India and Sri Lanka conducted a joint training program on disaster management, focusing on cyclone and flood response. These collaborations enable neighbouring countries to strengthen their local disaster management systems and build climate-resilient infrastructure.

(iii) Bilateral Cooperation on Climate Finance: India has played a significant role in providing climate finance and technical support to neighbouring countries for climate adaptation and mitigation. For instance, India helped Sri Lanka develop solar power systems in rural regions through initiatives like the India-Sri Lanka Energy Cooperation. Additionally, India extended climate financing to Nepal for clean energy projects, such as the establishment of solar-powered microgrids in remote areas, enhancing energy access and reducing dependence on fossil fuels. These actions align with India's goals under the Paris Agreement to cut carbon emissions and foster climate resilience. India also assists its neighbours in securing international climate finance from platforms like the Green Climate Fund (GCF) and the Clean Development Mechanism (CDM).

(iv) India's Role in Regional Climate Change Dialogues: India plays a significant role in regional climate change dialogues, positioning itself as a leader in fostering collaboration within South Asia and the broader Indian Ocean region. Through its active participation in regional organizations like the South Asian Association for Regional Cooperation (SAARC) and the Indian Ocean Rim Association (IORA), India helps shape regional strategies for climate change adaptation, mitigation, and disaster resilience. A key focus of the Indian Ocean Rim Association (IORA) is tackling climate change through collective efforts on mitigation and enhancing climate resilience. India has advocated for coordinated action within the organization, emphasizing the

reduction of carbon emissions and bolstering climate resilience across the region.

India's involvement with IORA also includes programs aimed at enhancing coastal resilience, which focus on reducing the risks posed by rising sea levels and strengthening the ability of vulnerable coastal communities to adapt. It has also been at the forefront of regional and global climate change dialogues, advocating for equitable climate action through initiatives such as the International Solar Alliance (ISA) and the Coalition for Disaster Resilient Infrastructure (CDRI). These platforms aim to promote the adoption of clean energy solutions and build resilient infrastructure across its neighbourhood and beyond. This helps its neighbours access climate finance, technologies, and knowledge to accelerate the shift toward sustainable and climate-resilient development pathways.

These initiatives of India resonate with India's Neighbourhood First Policy as this policy ensures that India remains an active partner in tackling regional challenges like climate change and natural disasters.

SELF ASKING QUESTION

Do you think India's initiatives are efficient enough in addressing the challenges of climate change in its neighbourhood? (200 words)

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5.6 Competitive and Cooperative Dynamics between India and its Neighbours in Addressing Climate Change Challenges

The relationship between India and its neighbouring countries in tackling climate change is influenced by both cooperative and

competitive factors. India's climate strategies and actions significantly impact the region as it is the dominant economic power in its neighbourhood. While competition arises, particularly in areas such as resource management and economic development, the overall response to climate change in the region largely depends on collaborative initiatives, as discussed in the aforementioned section (section 1.5). This section discusses the competitive aspect of addressing climate change challenges.

(i) Competition for Shared Natural Resources: *Tensions Over Water Allocation*: The competition for shared natural resources, particularly transboundary rivers, is a significant source of tension between India and its neighbours. Climate change has intensified these issues by altering water flow patterns, increasing the potential for conflict. For example, disputes between India and Bangladesh over the distribution of water from the Teesta River have been exacerbated by irregular rainfall and frequent droughts, making water allocation more contentious. Similarly, conflicts have arisen between India and Nepal over water-sharing agreements, such as those related to the Kosi River, with both countries at times experiencing diplomatic friction due to concerns over equitable access to vital water resources.

The unpredictability brought about by climate change, such as heavier monsoon rainfall or extended periods of drought, is increasing the urgency for both India and its neighbouring countries to revisit and address existing water-sharing agreements. If these nations fail to cooperate, the mounting pressure on shared rivers may lead to heightened competition, potentially escalating into conflicts. To prevent such scenarios, India, Bangladesh, and Nepal must collaborate on solutions that fairly distribute water resources, taking into account the growing uncertainties posed by climate change. This would require improved water management, proactive

disaster preparedness, and a fair, sustainable approach to sharing these essential resources across the region.

(ii) Economic Priorities and Climate Change Mitigation: Climate change mitigation often comes into direct conflict with economic priorities as countries strive to balance reducing carbon emissions with achieving their developmental goals. This tension is particularly evident in South Asia, where economic growth remains a top priority for countries like India, Bangladesh, and Nepal. While these nations understand the need to tackle climate change, their rapid economic development is often determined by energy production, which traditionally relies on fossil fuels such as coal and natural gas. The need for economic development leads to a competitive atmosphere where countries prioritize industrial growth and energy consumption, sometimes at the expense of fully implementing climate change mitigation policies. This competition for economic progress often prevents the countries from engaging in comprehensive, coordinated action on climate change. Cooperation is the key for India and its neighbouring countries to meet climate goals while promoting economic growth. This includes joint efforts to provide clean energy technologies, climate finance, and technical expertise. By working together on regional solutions, these nations can foster both economic development and climate resilience. Despite competitive challenges, there are ample opportunities for collaboration on energy innovation and climate change mitigation for mutual progress.

(iii) Differences in Adaptation and Climate-Resilient Infrastructure: India and its neighbours approach climate-resilient infrastructure based on its specific challenges and priorities. India plays a leading role in regional efforts, such as the Coalition for Disaster Resilient Infrastructure (CDRI), but its neighbours exhibit varied levels of investment and focus on building climate resilience.

For instance, Bangladesh, with its coastal population at high risk, emphasizes coastal defenses and flood management, while Nepal directs its attention to creating disaster-resistant infrastructure in its mountainous regions and prioritising water resource management for its hydroelectric power generation. The differences in infrastructure development affect the region's ability to adapt to climate change. While countries such as India take the lead in regional initiatives and technological cooperation, other countries struggle to implement broad adaptation strategies due to financial constraints, limited infrastructure, and inconsistent political commitment. As a result, regional cooperation and cross-border collaboration are crucial to strengthening the climate resilience of India's neighbourhood, ensuring that vulnerable communities receive the protection and support needed to adapt to the impacts of climate change.

India can foster long-term collaboration on climate change mitigation and adaptation in its neighbourhood by integrating flexible strategies that consider national priorities while promoting regional goals. This balanced approach would allow India to continue advancing its development while ensuring regional climate progress.

STOP TO CONSIDER

The Coalition for Disaster Resilient Infrastructure (CDRI), established by India in 2019, is a global initiative focused on tackling the increasing challenges posed by climate change and natural disasters. The coalition's goal is to promote the development of infrastructure capable of enduring the impacts of climate change and natural disasters, thereby helping countries reduce their vulnerability and ensure the continuity of critical services during and after such events.

CHECK YOUR PROGRESS

1. What are the key impacts of climate change and global warming on India and its neighbouring countries?
2. How is India supporting the development of climate-resilient infrastructure in its neighbouring countries?
3. What are the cooperative and competitive aspects between India and its neighbouring countries in addressing climate change challenges?

5.7 Summing Up

The challenges posed by global warming and climate change are increasingly felt across India and its neighbours. While the impacts of climate change are widely shared, each country faces its own unique set of vulnerabilities that has been affecting the livelihood of millions and risking the food security, water resources, and overall economic stability of the region. Through its leadership in global climate negotiations, India has shown a commitment to both mitigating emissions and promoting climate adaptation strategies. India's efforts in advancing renewable energy and improving disaster resilience infrastructure serve as important steps in strengthening regional collaboration. The competitive and cooperative dynamics between India and its neighbours are critical to the success of climate adaptation and mitigation efforts. While there is competition over shared resources, there are growing opportunities for cooperation. India and its neighbours can leverage each other's strengths to collectively tackle the looming challenges posed by climate change and can transition towards a more climate-resilient future, balancing economic development and sustainable environmental practices for the well-being of its people.

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BLOCK- III
INDIA AND ITS NEIGHBOURS – I

Unit 1: India and China

Unit 2: India and Pakistan

Unit 3: India and Bangladesh

Unit 4: India and Nepal

Unit 5: India and Sri Lanka

UNIT: 1
INDIA AND CHINA

Unit Structure:

- 1.1 Introduction
- 1.2 Objectives
- 1.3 India's Policy towards China
- 1.4 Problem of Tibet
- 1.5 Panchsheel Agreement
- 1.6 The Border Dispute
- 1.7 Agreements, Disagreements and Negotiations: A brief timeline from the 1970s to the present
- 1.8 The Pakistan factor and the Indo-Pak equation
- 1.9 India's Economic Relations with China
- 1.10 China's Belt and Road Initiative (BRI) and India's concerns
- 1.11 Summing Up
- 1.12 Reference and Suggested Readings

1.1 Introduction

India's relationship with China has been a key component of its foreign policy, shaped by centuries of cultural and economic exchange and evolving significantly since their modern foundations in the mid-20th century. As two ancient civilisations and major global powers, India and China together represent nearly 40% of the world's population.

Following India's independence in 1947 and the founding of the PRC in 1949, India became the first non-socialist country to recognise China diplomatically. The countries share a 3,488 km border, though key disputes remain over Aksai Chin and Arunachal

Pradesh. Despite agreeing to maintain peace along the Line of Actual Control (LAC), tensions have persisted, including military conflicts in 1962, 1967, 1987, and the 2017 Doklam standoff.

India-China ties have been marked by both cooperation and competition. Nehru's vision of a "Resurgent Asia" based on shared values gave way to mistrust due to conflicting interests, especially in Tibet. Since the 1980s, however, relations have improved, with growing trade and China becoming India's largest trading partner by 2008. Both nations now collaborate on global issues like climate change and international economic reforms.

Nonetheless, unresolved border disputes, repeated Chinese incursions, and Beijing's strategic ties with Pakistan continue to strain the relationship. Competition for influence in South Asia further adds to the complexity of this crucial but cautious bilateral partnership.

1.2 Objectives

India and China are two major regional powers of Asia. Over the years it has been observed that India-China ties have been marked by both cooperation and competition. After reading this unit you will be able to:

- *explain* India's policy towards China;
- *examine* various agreements and negotiations between the two countries;
- *discuss* India's economic relation with China.

1.3 India's Policy towards China

India predominantly views China as an authoritarian state rooted in a communist legacy, which continues to consolidate its position as a

formidable and influential power in the region. From the Indian standpoint, China is not only a strong neighbour but is also emerging decisively on the global stage as a potential superpower. Historical episodes such as the Tibetan crisis, the 1962 Sino-Indian war, and the divergent trajectories of development pursued by both countries over the decades have significantly shaped this evolving perception. At present, India regards China more as a powerful regional rival than as a dependable strategic partner. Consequently, a growing number of Indian policymakers and intellectuals advocate for the articulation of a nuanced and multidimensional China policy—one that accounts for elements of competition, cooperation, correlation, coexistence, collaboration, and potential conflict.

However, the relationship requires a degree of mutual recognition and reciprocity. In light of India's expanding global engagements and strategic ambitions, there is a growing expectation that China acknowledges India as an emerging power of considerable significance. While China has firmly established itself as a major military and political force, Indian perceptions of China are varied. The Indian business community generally views China as an economic opportunity, whereas policy think tanks and the media are more inclined to interpret China through the lens of strategic apprehension. The Indian government, in contrast, appears to pursue a cautious and balanced approach. In the current geopolitical context, China maintains a substantial advantage over India in both military and political terms. Given the overlapping strategic interests of both nations at regional and global levels, Indian policy remains vigilant and measured in its response to Chinese actions. The shared dependence on critical resources for developmental needs further influences their bilateral perceptions. For India, China continues to represent a significant security concern, particularly concerning territorial disputes and maritime competition. Consequently, China

presents India with a complex array of political, economic, strategic, and military challenges.

1.4 Problem of Tibet

India formally established diplomatic relations with the People's Republic of China (PRC) on 1 January 1950. At that time, Chairman Mao Zedong of the Chinese Communist Party (CCP) regarded Tibet as an inseparable part of the PRC. Mao interpreted India's expressions of concern over Tibet as unwarranted interference in China's internal affairs. In 1950, the PRC forcibly reasserted control over Tibet, aiming to dismantle both the existing feudal structure and the influence of Lamaism (Tibetan Buddhism). In an effort to avoid provoking the PRC, Prime Minister Jawaharlal Nehru assured Chinese leaders that India harboured no political or territorial ambitions in the region, other than the continuation of its traditional trading rights. With India's diplomatic support, Tibetan representatives signed an agreement with Beijing in May 1951, formally recognising PRC sovereignty over Tibet while stipulating the preservation of Tibet's existing political and social systems. Nehru believed that, in the absence of the physical buffer once provided by an autonomous Tibet, India's security could be safeguarded through the creation of a psychological buffer zone built on mutual understanding and diplomatic engagement.

However, tensions between India and China began to escalate in 1954, when China published new official maps that incorporated the Aksai Chin region—an area India considered part of its sovereign territory. Upon learning that China had constructed a road through this disputed region, India lodged formal protests, and sporadic border clashes began to occur. In January 1959, Chinese Premier Zhou Enlai addressed a letter to Prime Minister Nehru, asserting that

no Chinese government had ever recognized the McMahon Line as a legitimate boundary. This line, established during the 1914 Simla Convention, delineated the eastern sector of the border between India and Tibet. Further strain emerged in March 1959, when the 14th Dalai Lama—Tibet’s spiritual and political leader—fled to India following a failed uprising against Chinese rule and was granted asylum in Dharamsala, Himachal Pradesh. There, he established the Tibetan Government-in-Exile, and thousands of Tibetan refugees subsequently resettled in regions such as Himachal Pradesh and Karnataka. In response, the PRC accused India of harboring expansionist and imperialist intentions in Tibet and across the broader Himalayan frontier. China went on to claim approximately 104,000 square kilometers of territory which Indian maps had consistently depicted as falling within India's sovereign boundaries, and demanded a comprehensive revision of the border.

1.5 Panchsheel Agreement

India was disappointed with China’s policy towards Tibet, but did not allow this to damage their friendship. India continued to back China’s demand for representation in the United Nations, both at that time and even during and after China’s 1962 aggression against India. Towards the end of the Korean Crisis (1950–1953), China acknowledged India’s principled position. Negotiations began for a comprehensive trade agreement between the two countries, culminating in the signing of a treaty on April 29, 1954, concerning trade and interaction with the “Tibet Region of China,” valid for eight years.

India relinquished its extraterritorial rights in Tibet and recognized China’s full sovereignty over the region. It gave up the right to station Indian troops in Yatung and Gyantse, restructured

arrangements for border trade and pilgrimage, and surrendered control over postal and telegraph services in Tibet. The agreement also incorporated the five principles of Panchsheel. Following the trade agreement, Chinese Premier Zhou Enlai visited India on June 1, 1954, and Indian Prime Minister Nehru visited China in October.

At the conclusion of Zhou Enlai's 1954 visit to New Delhi, the prime ministers of India and China issued a joint statement emphasizing the five principles that would govern their bilateral relations:

1. Mutual respect for each other's territorial integrity and sovereignty
2. Mutual non-aggression
3. Mutual non-interference in each other's internal affairs
4. Equality and mutual benefit
5. Peaceful coexistence

These Panchsheel principles were later adopted, with minor modifications, by the Bandung Conference in 1955 and became a foundation for bilateral relations among many countries.

The four years following the signing of Panchsheel are often described as the 'Sino-Indian honeymoon' period, famously captured by the phrase "Hindi-Chini Bhai-Bhai" (Indians and Chinese are brothers).

After the Afro-Asian conference at Bandung, India fully supported China's claim over Formosa and the offshore islands of Quemoy and Matsu, while China backed India's claim over the Portuguese territory of Goa. However, tensions emerged in July 1958 when Chinese maps published in China Pictorial showed approximately 36,000 square miles of Indian territory in the Northeast and around 12,000 square miles in the Northwest as part of China. This marked

the beginning of the border dispute between the two countries. Relations were further strained due to China's handling of the Tibetan uprising.

1.6 The Border Dispute

The developments in Tibet during the late 1950s severely undermined India's faith in China's sincerity. After India granted asylum to the Dalai Lama in 1959 following the failed Tibetan uprising, it was widely felt in India that China, viewing this as a provocation, began retaliating through repeated intrusions into Indian border areas. These growing tensions, fuelled by unresolved territorial disputes and strategic mistrust, eventually led to a short but intense border war between the two countries in October 1962.

Chinese forces launched coordinated attacks in both the western sector (Ladakh) and the eastern sector (now Arunachal Pradesh). In the northeast, Chinese troops advanced deep into Indian territory, coming within forty-eight kilometers of the Assam plains. In the west, they occupied key strategic locations in the Aksai Chin and Demchok regions of Ladakh—territory that China considered vital for connecting Tibet and Xinjiang. On 21 November, China declared a unilateral ceasefire and claimed to have withdrawn twenty kilometers behind its version of the Line of Actual Control. However, India strongly disputed both the claim and the legitimacy of the Chinese-defined boundary.

Relations between the People's Republic of China (PRC) and India continued to deteriorate throughout the late 1960s and early 1970s. During this period, China's ties with Pakistan significantly improved, while its relationship with the Soviet Union became increasingly strained. In the 1965 India-Pakistan War, the PRC openly supported Pakistan, further deepening India's concerns.

Between 1967 and 1971, China constructed an all-weather road through territory claimed by India, linking the Xinjiang Uyghur Autonomous Region with Pakistan. Despite strong objections, India was unable to take any effective action beyond issuing formal protests. Meanwhile, the PRC intensified its propaganda campaign against India and, in collaboration with Pakistan, reportedly provided financial and logistical support to insurgent groups operating in India's north-eastern region. China also accused India of supporting the Khampa rebels in Tibet, further inflaming tensions.

Sri Lanka played a diplomatic role during this period by acting as a mediator between the two sides. Both India and China agreed to a set of proposals put forward by Colombo, which helped facilitate the withdrawal of Chinese troops from some contested areas.

Despite this temporary diplomatic engagement, military tensions flared up again in 1967. Two violent border clashes occurred in the Sikkim sector—then an Indian protectorate—between Chinese and Indian forces. The first, known as the "Nathu La Incident," took place in September 1967 when Chinese troops opened fire on Indian soldiers who were overseeing the construction of a fence along the contested border. The situation quickly escalated into a fierce exchange of artillery and mortar fire lasting several days, resulting in the deaths of 62 Indian soldiers, with casualties on the Chinese side as well.

A second clash, referred to as the "Cho La Incident," occurred on 10 October 1967. Once again, both sides engaged in heavy gunfire, leading to further casualties and injuries on both sides. These confrontations, though localized, underscored the deep mistrust and unresolved border tensions that persisted long after the 1962 war.

In August 1971, India signed the Treaty of Peace, Friendship, and Cooperation with the Soviet Union, marking a significant shift in its strategic posture during the Cold War. This move strengthened India's position internationally and served as a counterbalance to the growing alignment between China and Pakistan. During the Indo-Pakistani War of December 1971, which led to the creation of Bangladesh, the People's Republic of China firmly sided with Pakistan. Although China strongly condemned India's actions during the conflict, it did not or could not follow through on any threats of direct military intervention in support of Pakistan.

In May 1974, India conducted its first nuclear test at Pokhran, publicly emphasizing that the test was part of a peaceful nuclear programme. However, China was deeply skeptical of India's intentions and interpreted the test as an attempt to assert regional dominance and intimidate smaller neighboring states. In response, China reaffirmed its support for Pakistan, providing assurances against any potential "nuclear threat" from India. Additionally, China reiterated its backing for Pakistan's stance on the Kashmir issue, further reinforcing the strategic alignment between Beijing and Islamabad during this period.

China was a strong and vocal critic of India's nuclear tests conducted in May 1998, viewing them as a destabilizing development in the regional security landscape. In line with its opposition, China fully endorsed United Nations Security Council Resolution 1172, which condemned the nuclear tests conducted by both India. In addition to diplomatic condemnation, China also imposed limited sanctions on India, aligning itself with the broader international reaction that sought to prevent a potential arms race in the region.

Despite this initial period of tension, the relationship between the two countries began to improve gradually. A notable turning point

came during the Kargil conflict in mid-1999, when China played a constructive role in de-escalating the situation. Responding to the concerns of the international community, Beijing used its influence to urge its close ally, Pakistan, to withdraw its forces and irregulars from the Indian side of the Line of Control.

In the years that followed, both India and China undertook significant economic reforms and modernization programs, which fuelled rapid growth in their respective economies and expanded their global influence. Recognizing the importance of maintaining stable bilateral ties, the two nations began engaging more regularly through high-level diplomatic channels and established a number of mechanisms to manage their complex relationship. These engagements included talks on trade, investment, cultural exchange, and, most importantly, efforts to address the long-standing border dispute that had periodically strained relations.

While many challenges remained unresolved, including issues related to territorial claims and regional competition, the overall trajectory of India-China relations during this period was marked by cautious engagement and an increasing recognition of mutual interests. Both sides understood the strategic importance of maintaining dialogue, avoiding conflict, and seeking cooperative avenues in areas of shared concern such as regional security, climate change, and multilateral trade frameworks.

1.7 Agreements, Disagreements and Negotiations: A brief timeline from the 1970s to the present

Following the 1962 border conflict, India and the People's Republic of China resumed efforts to normalize their strained relations beginning in 1977, under the Janata Party government led by Prime Minister Morarji Desai. A significant milestone occurred in 1978

when India's External Affairs Minister, Atal Bihari Vajpayee, conducted a historic visit to Beijing, marking the first high-level diplomatic engagement between the two countries in over a decade. This visit paved the way for the formal restoration of diplomatic relations in 1979.

During this period, both nations agreed to prioritize negotiations on the longstanding border dispute, recognizing it as a crucial step toward expanding bilateral cooperation. In addition to political dialogue, measures were taken to enhance cultural and informational exchanges, including the mutual hosting of each other's national news agencies. Furthermore, China reopened the sacred pilgrimage sites of Mount Kailash and Lake Manasarovar in Tibet to Indian pilgrims, fostering people-to-people ties and goodwill between the two countries.

In 1980, Prime Minister Indira Gandhi approved a strategic plan to strengthen India's military deployment along the Line of Actual Control (LAC). Concurrently, India initiated significant infrastructural development in disputed border regions to improve logistical support and territorial control. These efforts effectively curtailed further Chinese advances into the valley, compelling Chinese troops to withdraw from certain areas.

A renewed diplomatic dialogue commenced in 1981, marked by the visit of Chinese Foreign Minister Huang Hua—the first official Chinese visit to India since Premier Zhou Enlai's visit in the 1960s. Between December 1981 and November 1987, India and the People's Republic of China engaged in eight rounds of border negotiations aimed at resolving their longstanding territorial disputes. However, progress was limited. In 1985, China proposed a "package proposal" calling for mutual concessions but refrained from specifying the terms or clarifying the precise alignment of the

Line of Actual Control. As a result, the negotiations conducted in 1986 and 1987 failed to yield any substantive breakthroughs.

A significant thaw in India-China relations occurred with Prime Minister Rajiv Gandhi's historic visit to China in December 1988. The joint statement issued by both countries emphasized the restoration of friendly relations based on the principles of Panchsheel, reaffirming mutual respect for sovereignty, non-aggression, and peaceful coexistence. Both sides committed to achieving a fair and reasonable settlement of the longstanding border dispute through a mutually acceptable solution.

The statement also addressed China's concerns regarding Tibetan separatist activities in India, with India reaffirming that anti-China political activities by expatriate Tibetans would not be tolerated. During the visit, Rajiv Gandhi signed several bilateral agreements, including cooperation in science and technology, the establishment of direct air links, and cultural exchanges. Additionally, the two nations agreed to institutionalize their engagement by holding annual diplomatic consultations between their foreign ministers, forming a joint committee on economic and scientific cooperation, and establishing a joint working group dedicated to resolving the boundary issue.

Between 1991 and 1993, India and China engaged in a series of high-level diplomatic exchanges aimed at improving bilateral relations and managing their longstanding border dispute. The visits of Chinese Premier Li Peng to India in December 1991 and Indian President R. Venkataraman to China in May 1992 underscored a renewed commitment to dialogue.

During this period, six rounds of talks were held under the India-China Joint Working Group (JWG) on the Border Issue. Although the sixth round in New Delhi in 1993 yielded limited progress, it

reflected continued engagement through formal mechanisms. Confidence-building measures were also pursued, including mutual troop reductions and regular meetings between local military commanders along the Line of Actual Control. A key development was the 1993 agreement signed during Prime Minister P. V. Narasimha Rao's visit to China, which addressed cross-border trade, environmental cooperation, and media exchanges. While the core boundary dispute remained unresolved, these steps marked meaningful progress toward stabilizing bilateral relations.

In January 1994, Beijing signalled a nuanced stance on regional issues by expressing support for a negotiated resolution to the Kashmir dispute while explicitly opposing any move toward independence for the region. This position aligned with its broader emphasis on territorial integrity and regional stability.

Subsequently, in February 1994, India and China held talks in New Delhi focused on reinforcing previously agreed confidence-building measures (CBMs). Key agenda items included the clarification of the Line of Actual Control (LAC), the reduction of military forces along the LAC, and the provision of prior notification for upcoming military exercises. During these discussions, China reiterated its commitment to a peaceful settlement of the boundary issue, reflecting a continued emphasis on diplomacy and incremental trust-building in bilateral relations.

However, India–China relations deteriorated significantly in 1998 following India's nuclear tests. China emerged as one of the strongest international critics of India's nuclearization, expressing serious concerns about regional stability and the strategic balance in Asia. This marked a sharp downturn in bilateral relations and introduced new tensions into the diplomatic equation between the two countries.

At the 2005 South Asian Association for Regional Cooperation (SAARC) Summit, China was granted observer status, marking a notable development in its engagement with South Asia. While several member states expressed openness to the prospect of China obtaining permanent membership, India remained cautious and hesitant to endorse such a move.

India's reluctance was informed by strategic considerations, including concerns over China's growing influence in the region and its implications for regional balance. Additionally, issues related to energy security had begun to gain prominence, further shaping the geopolitical dynamics between India, China, and other SAARC member states.

Both India and China, facing rising energy demands to support their economic growth, signed an agreement in 2006 enabling ONGC Videsh Limited (OVL) and China National Petroleum Corporation (CNPC) to jointly bid for international energy projects.

That same year, the Nathu La Pass was reopened for trade after 44 years, marking a significant step in reducing the economic isolation of the border region and promoting cross-border commerce.

However, bilateral tensions resurfaced in November 2006 when a verbal exchange erupted over territorial claims. India asserted that China was occupying 38,000 square kilometers of Indian territory in Kashmir, while China reiterated its claim over the entire Indian state of Arunachal Pradesh, highlighting the ongoing complexity of the border dispute.

In October 2009, the Asian Development Bank (ADB) formally recognized Arunachal Pradesh as part of India by approving a development loan for the region. This move came despite strong objections from China, which had pressured the ADB to halt the funding. India, with support from the United States and Japan,

succeeded in securing the loan, prompting China to express its displeasure with the ADB's decision.

At the 2012 BRICS Summit in New Delhi, Chinese President Hu Jintao reaffirmed China's commitment to strengthening ties with India. He emphasized China's policy of deepening strategic cooperation and supporting India's peaceful development. In response to India's test of the Agni-V missile, capable of reaching Beijing, China urged both countries to preserve the positive momentum in bilateral relations and focus on cooperation.

On 16 June 2017, Chinese troops, accompanied by construction vehicles and road-building equipment, began extending a road southward in Doklam—a disputed territory claimed by both China and Bhutan. In response, on 18 June, approximately 270 Indian troops, equipped with weapons and two bulldozers, entered the area to halt the construction.

China accused India of illegally intruding into its territory, violating its sovereignty, and breaching the UN Charter, citing what it referred to as a mutually agreed China-India boundary. India countered by accusing China of attempting to alter the status quo in violation of a 2012 understanding between the two governments regarding the tri-junction boundary points. India raised strategic concerns, particularly related to the Siliguri Corridor—a narrow and critical stretch of land connecting India's northeastern states to the rest of the country.

Indian External Affairs Minister Sushma Swaraj emphasized that any unilateral attempt by China to change the status quo at the tri-junction between China, India, and Bhutan would directly threaten India's security interests.

On 28 August 2017, China and India reached an agreement to end the Doklam border standoff, agreeing to disengage their forces and de-escalate tensions.

In February 2019, China issued two notable statements: it objected to Indian Prime Minister Narendra Modi's visit to Arunachal Pradesh, a region claimed by China, and asserted that India must sign the Nuclear Non-Proliferation Treaty (NPT) to gain entry into the Nuclear Suppliers Group (NSG).

Recent terrorist attacks in Pulwama (2018) and Pahalgam (2025), along with India's retaliatory strike on Pakistan's Balakot, drew international attention to Pakistan's alleged support for terrorism and intensified calls for global action against Islamabad. The 2025 Pahalgam attack, backed by India's evidence implicating Pakistan-sponsored terrorists, and India's subsequent Operation Sindoor targeting terrorist training camps in Pakistan-occupied Kashmir (PoK) heightened global focus on the region.

Despite these developments, Pakistan's close ties with China have remained firm. China has consistently supported Pakistan, refusing to condemn it for terrorism-related issues and even blocking UN efforts to designate the Jaish-e-Mohammad leader as an international terrorist and impose sanctions. This steadfast Chinese backing complicates India's efforts to address cross-border terrorism diplomatically.

1.8 The Pakistan factor and the Indo-Pak equation

For India, China's longstanding and close partnership with Pakistan has been a major impediment to improving bilateral ties with Beijing. Many in India view China's unwavering support for Pakistan as a key factor encouraging Islamabad to challenge India's dominance in South Asia. The perception that the Sino-Pak strategic

alliance is primarily aimed at countering India reinforces this concern.

Incidents such as the 2008 Mumbai attacks, the 2019 Pulwama bombing, and the more recent 2025 Pahalgam attack—allegedly carried out by Pakistan-based terrorist groups—have severely strained India-Pakistan relations. Despite substantial evidence presented by India, Beijing’s consistent refusal to condemn Pakistan has been interpreted as tacit support for terrorism emanating from Pakistani soil.

Additionally, India and China are engaged in a growing strategic rivalry over influence in smaller South Asian countries, including Nepal, Bangladesh, Myanmar, and Sri Lanka. This competition, often viewed as a geopolitical inevitability, has intensified concerns in New Delhi over losing its traditional influence in the region. Beijing’s expanding engagement with these countries further fuels the sense of strategic encroachment.

In the long term, the ongoing Sino-Indian competition in South Asia could have unpredictable implications for regional stability and security, particularly as both nations pursue divergent and often conflicting strategic interests in their shared neighbourhood.

SELF ASKING QUESTION:

How can India and China balance their competitive and co-operative aspects in Asia? (80 words)

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1.9 India's Economic Relations with China

In recent years, trade and economic relations between India and China have experienced rapid growth. Since establishing diplomatic ties in 1950, the two countries have maintained a complex relationship marked by both cooperation and competition. Despite ongoing challenges, especially concerning their disputed Himalayan border, India and China have steadily expanded their economic and trade connections. Recent developments reflect a mutual effort to recalibrate bilateral engagement by prioritising border stability alongside enhanced commercial collaboration.

Economically, China is India's largest trading partner, with bilateral trade surpassing US\$100 billion in the 2023-24 financial year. China continues to be a crucial supplier of industrial goods to India, especially in electronics, machinery, and chemicals. The increasing demand for Chinese technology and investment, particularly in sectors such as electric vehicles (EVs) and telecommunications, underscores the deepening economic interdependence between the two nations. Concurrently, India is actively encouraging Chinese companies to establish local manufacturing operations through new joint ventures in strategic industries.

It is noteworthy that trade volume between India and China was only US\$3 billion in 2000. By 2008, the trade deficit had surged to US\$51.8 billion, with China overtaking the United States as India's largest goods trading partner. Bilateral trade peaked at an all-time high of US\$73.9 billion in 2011. Subsequently, China maintained its position as India's largest trading partner, with trade reaching nearly US\$72 billion in 2016-17, up from US\$38 billion in 2007-08. During this period, India's trade deficit with China widened to US\$47.68 billion.

In 2023, bilateral trade between China and India reached a new high of US\$136.2 billion, reflecting a 1.5 percent increase over the

previous year despite economic slowdowns and continuing geopolitical tensions. This growth featured a 6 percent rise in Indian exports to China, demonstrating strengthening economic ties, as emphasized by Chinese Chargé d’Affaires Ma Jia at a Chinese New Year event in Delhi.

As of the fiscal year 2024-2025, India recorded a trade deficit of \$99.2 billion with China, driven by a substantial rise in imports from China (\$113.5 billion) alongside a decline in Indian exports (\$14.25 billion). This persistent imbalance reflects India's ongoing challenges in expanding its manufactured goods exports to China.

Despite these concerns, economic relations between the two countries remain too significant to overlook. Experts argue that their economic interdependence has been a crucial factor preventing a full-scale conflict, as both nations prioritize economic stability and growth. India and China are natural trade partners with complementary strengths: India excels in software, pharmaceuticals, and IT services, while China specializes in electronic hardware manufacturing and infrastructure development.

Nonetheless, the widening trade deficit has heightened concerns among Indian policymakers, highlighting the urgent need to bolster domestic manufacturing capabilities and reduce reliance on Chinese imports.

1.10 China’s Belt and Road Initiative (BRI) and India’s concerns

Any analysis of India’s relationship with China must consider China’s Belt and Road Initiative (BRI). Launched in 2013, the BRI is a multi-billion-dollar project aimed at expanding China’s influence by creating a vast network of land and sea routes linking Southeast Asia, Central Asia, the Gulf region, Africa, and Europe.

The Chinese government frames the initiative as a means to deepen cooperation and promote development across more than 60 countries along the ancient Silk Road corridors, spanning from the Asia-Pacific to Europe. At the BRI's inaugural summit in 2017, President Xi Jinping hailed it as the "project of the century."

India's concerns over China's Belt and Road Initiative (BRI) primarily stem from the China-Pakistan Economic Corridor (CPEC), the flagship BRI project connecting Gwadar Port in Pakistan's Balochistan to China's Xinjiang province. India objects to CPEC because it passes through Pakistan-occupied Kashmir (PoK), a territory India claims as its own.

China's expansive BRI, which aims to link Asia, Africa, and Europe through a network of transportation corridors, has the potential to fundamentally alter the geoeconomic and geopolitical landscape of Eurasia and beyond. These developments carry significant implications for India's strategic interests.

India's apprehensions about the BRI must be understood within the broader context of India-China relations, characterized by the rise of both nations as regional powers and their ongoing border disputes, which remain a major source of tension. Since the launch of BRI in 2013, the Indian government has consistently expressed its opposition to the initiative, particularly highlighting the CPEC issue. The Ministry of External Affairs (MEA) has reiterated India's position in official statements, speeches by the Foreign Secretary and Foreign Minister, and parliamentary debates.

India maintains that connectivity projects should adhere to universally accepted international norms, including good governance, rule of law, transparency, openness, and respect for sovereignty and territorial integrity. India views the inclusion of CPEC which traverses disputed territory as a disregard for its

sovereignty and territorial claims, underscoring a fundamental point of contention in India-China relations.

CHECK YOUR PROGRESS:

Q1. Discuss the Tibet issue in India China relations.

Q.2 Examine the adherence of panchasheel principles in Indo-China relationship.

Q.3 Discuss briefly different agreements and negotiations made between India nad China from 1970 till date.

Q.4 examine how border issues and Indo-Pak relations influence the Indo-China relationship.

Q.5 Discuss briefly India's economic relations with China.

1.11 Summing Up

India established diplomatic relations with the People's Republic of China in April 1950, with Prime Minister Nehru visiting China in 1954. The 1962 border conflict marked a significant setback, but ties began to improve following Prime Minister Rajiv Gandhi's landmark visit in 1988. A key point of contention remains the territorial dispute over Aksai Chin and Tawang in Arunachal Pradesh, which China claims as part of southern Tibet.

Both sides recognize that armed conflict is not in their best interest—India acknowledges China's military superiority, while China is aware that tensions with India could harm its regional investments and economic interests. The 1993 Agreement on the Maintenance of Peace and Tranquillity along the LAC, signed during Prime Minister Narasimha Rao's visit, marked a step toward stabilising the relationship.

Trade has expanded significantly, with India becoming a key market for Chinese goods. Leaders from both nations have emphasised cooperation—China calling the relationship potentially the “most important bilateral partnership of the century,” and PM Modi affirming that Asia’s future depends on mutual trust and collaboration between the two.

However, a lingering trust deficit and security concerns persist. Despite recent shifts toward a more conciliatory Indian approach, the trajectory of India-China relations will continue to be shaped by how both nations manage their strategic differences in a complex regional and global context.

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UNIT: 2

INDIA AND PAKISTAN

Unit Structure:

- 2.1 Introduction
- 2.2 Objectives
- 2.3 Accession of Jammu & Kashmir
- 2.4 Indo-Pak Wars and Conflicts
- 2.5 Cross-Border Terrorism
- 2.6 Trade and Commerce
- 2.7 Attempts for Engagement
- 2.8 Indus Waters Treaty
- 2.9 People-to-People Relations
- 2.10 Kartarpur Corridor
- 2.11 India's Policy towards Pakistan Since 2014
- 2.12 Revocation of Article 370
- 2.13 Prospects of Cooperation: Role of Multilateral Forums and their limitations
- 2.14 Summing Up
- 2.15 References and Suggested Readings

2.1 Introduction

India and Pakistan are neighbouring South Asian countries with a shared history, complex political relations of rivalry and cooperation, and deep cultural ties. While there have been moments of diplomacy and peace efforts, the relationship is defined mainly by conflicts, political tensions, and territorial disputes, particularly over Kashmir. They have shared a tumultuous relationship since their independence in 1947. When independence was granted to both

India and Pakistan, the partition could not remain a peaceful, orderly process. Partition resulted in massive displacement and migration of populations along communal lines across the borders of the two independent states, which resulted in very large-scale violence, destruction and death of innocents. In all, about 12.5 million people were displaced. The number of deaths in the communal violence that followed is estimated to be from several hundred thousand to one million; some estimate the number of those killed at 2 million. In short, India gained freedom at a heavy price. The centuries-old social cohesion and communal harmony were damaged, and India was laid up with a hostile neighbour. India became a secular nation with a Hindu majority population and a large Muslim minority. At the same time, Pakistan emerged as an Islamic republic with an overwhelming Muslim majority population and a tiny population subscribing to other faiths.

2.2 Objectives

This unit attempts to analyse the changing relationship between India and Pakistan. After going through this unit, you will be able to—

- *understand* the trajectory of India-Pakistan relations;
- *analyse* the various issues and subjects that are the cause of conflict and animosity between the two countries;
- *understand* the peace-building measures taken occasionally to resolve the dispute.

2.3 Accession of Jammu & Kashmir

Kashmir was a Muslim-majority princely state ruled by a Hindu king, Maharaja Hari Singh. The king wanted his state to remain an

independent kingdom and decided not to join either India or Pakistan. Circumstances were still not clear when Pakistan invaded Kashmir with its irregular forces and tribal fighters in October 1947. The security forces of Maharaja Hari Singh could not stop the invaders. There were incidents of communal violence in September 1947, which resulted in the killing of Muslims in Jammu. Faced with Pakistan's invasion, Maharaja Hari Singh appealed to India for help. The Governor-General Lord Mountbatten advised him first to sign the instrument of accession before India could provide any help. He signed the instrument of accession to the Union of India on 26 October 1947. Sheikh Mohammad Abdullah, the leader of Kashmir's popular movement, rushed to Delhi and requested Prime Minister Jawaharlal Nehru to send Indian troops to save Kashmir from the invaders. The governor-general accepted the instrument of accession on 27 October 1947. With this, the princely state of Jammu and Kashmir became part of India as per the Indian Independence Act of 1947 passed by the British parliament. Kashmir was later given special status within the Indian Constitution through Article 370, a status which guaranteed that Kashmir would have independence over everything but communications, foreign affairs, and defence. Indian troops reached Srinagar the same day and began the operation to evict the Pakistani invaders from the valley. This resulted in the first war between India and Pakistan.

STOP TO CONSIDER

Jammu and Kashmir's accession to India was on October 26, 1947, when Maharaja Hari Singh signed the Instrument of Accession. This event legally integrated Jammu and Kashmir with India.

2.4 Indo-Pak Wars and Conflicts

Political differences between India and Pakistan are deep and seemingly unbridgeable, and territorial claims are unmitigated. This resulted in several wars between the two countries. India and Pakistan have fought three wars. The very first began immediately after the partition in 1947-48. Then, there were wars in 1965 and 1971 and an undeclared short war in 1999 at Kargil.

➤ First Indo-Pak War (1947-48)

The first war between India and Pakistan was fought over Jammu & Kashmir. Armed Pakistani tribesmen, aided by the newly created Pakistani Army, invaded Jammu & Kashmir in October 1947. The legal ruler of the State of Jammu & Kashmir, Maharaja Hari Singh, faced with internal revolt as well as an external invasion, requested the assistance of the Indian armed forces and agreed to accede to India. He handed over control of his defence, communications and foreign affairs to the Indian government. Fighting continued through the second half of 1948. The war officially ended on 1 January 1949, when the United Nations (UN) arranged a ceasefire, with an established ceasefire line, a UN peacekeeping force and the recommendation that a referendum on the accession of Jammu & Kashmir to India be held.

As a result of the war, Pakistan controlled roughly one-third of the State of Jammu & Kashmir, known as Pok (Pakistan Occupied Kashmir), referring to it as Azad (Free) Jammu & Kashmir and claiming that it was semi-autonomous. A larger area, including the former kingdoms of Hunza and Nagar, was controlled directly by the central Pakistani government.

CHECK YOUR PROGRESS

1. Describe the accession of Jammu & Kashmir and the first Indo-Pak war of 1947-48.

➤ **Second Indo-Pak War (1965)**

In 1965, India and Pakistan fought their second war, which was preceded by skirmishes between the two nations between April and September. The decade of the 1960s was marked by the intensity of the Cold War. Pakistan had joined the US-led military alliances of the South East Asia Treaty Organization (SEATO) and the Central Treaty Organization (CENTO) and received generous US military aid. India was Non-aligned, which the US did not like. The India-China border war had brought China and Pakistan closer. Pakistan was able to convince China that its membership in CENTO and SEATO was not directed against China. Pakistan is a strategically located country and took full advantage of it during the Cold War. As the Soviet Union did not want Pakistan to be close to its ideological rival China, it, too, offered Pakistan trade and economic cooperation agreements in 1965. Thus, on the eve of the war, the regional strategic environment was favourable to Pakistan, and its leaders felt emboldened. It was then that Pakistani President Field Marshal Ayub Khan decided to find a military solution to the Kashmir issue. There is a piece of war strategy. The first Kashmir war of 1948 had convinced Pakistani strategists that it could fight only asymmetrical wars with India. The 1948 war had witnessed the use of non-state actors in the form of tribal invaders. The strategy in 1965 had two parts: first, Pakistani design was to encourage and support sabotage and guerrilla operations into Jammu & Kashmir. Pakistan armed forces sent around 30,000 trained infiltrators on 5 August 1965. The plan was to incite a popular uprising and sabotage

the infrastructure. A guerilla war would be launched to destroy the physical infrastructure and supply and communication lines of the Indian army. The second part of the Pakistan plan unfolded on 1st September 1965. Pakistani army attacked Indian positions. Indian forces responded by launching operations and occupied Haji Pir, Tithwal and Kargil heights. The war lasted 17 days. Thousands were killed on both sides. The 1965 war saw the largest tank battle and the largest battle involving armoured units anywhere since the end of the Second World War. UN-brokered ceasefire following the diplomatic initiatives of the Soviet Union and the United States. Role of the UN: The UN Secretary-General, U Thant, worked hard at the behest of the world body to bring an end to the hostilities. U Thant held Pakistan responsible for crossing the ceasefire line; he also appealed to India to observe restraint as regards retaliation. UN Security Council seized on the matter and passed as many as three resolutions to bring an end to the war. Resolution 209 was 136 passed on 4 September 1965. It called for a ceasefire and asked the two governments to cooperate fully with the UN Military Observer Group in India and Pakistan (UNMOGIP) in its task of supervising the observance of the ceasefire. Two days later, the Security Council adopted another Resolution. It requested the Secretary-General to exert every possible effort to give effect to the present resolution and to resolution 209 (1965), to take all measures possible to strengthen the United Nations Military Observer Group in India and Pakistan. The UN Secretary-General visited India and Pakistan from 7 to 16 September but failed to convince the two countries to stop the fighting. By then, the war had spread across international borders. UN Security Council passed its third Resolution, which demanded that a ceasefire take effect at seven in the morning of 22 September 1965 and that the two sides should withdraw all armed personnel to the positions held before 5 August.

The Soviet Union offered its good offices for a peaceful settlement of the dispute. Prime Minister Lal Bahadur Shastri and President Ayub Khan met in Tashkent from 4-10 January 1966 to discuss the issues. The Prime Minister of India demanded the withdrawal of all Pakistani infiltrators from Kashmir and future assurances that Pakistan would not indulge in such activities. Importantly, he also offered a no-war pact to Pakistan. President Ayub Khan remained insistent that the Kashmir issue be discussed and demanded a holding of the plebiscite. Finally, the two sides agreed and signed the Tashkent Declaration on 10 January 1966: the two countries agreed to withdraw forces to 5 August 1965 positions. India agreed to return Haji Pir and other Pakistani territories. The two countries also agreed to exert all efforts to create good neighbourly relations and reaffirmed not to have recourse to force and to settle their disputes through peaceful means. They also agreed not to encourage propaganda against each other. The Tashkent Declaration has been described as a peace agreement. In reality, it was more of an agreement that brought a cessation of hostilities. Incidentally, Prime Minister Shastri passed away in Tashkent that very night.

STOP TO CONSIDER

The second war between India and Pakistan was fought in 1965. The war was fought over the disputed territory of Jammu and Kashmir. The war ended in January 1966 when India and Pakistan signed a Tashkent declaration affirming their commitment to peace.

➤ Bangladesh Liberation War (1971-72)

East Pakistan (now Bangladesh) became the reason for the third war between India and Pakistan. The conflict between East and West Pakistan began when the central Pakistani government that was

seated in West Pakistan, led by Zulfikar Ali Bhutto, refused to allow Awami League leader Sheikh Mujibur Rahman, an East Pakistan-based Bengali whose party won the majority of seats in the 1970 parliamentary elections, to assume the premiership of the country. The Pakistani military cracked down on protestors in the Dhaka March in 1971, in which students and teachers were killed in large numbers. India became involved in the conflict in December after the Pakistani Air Force launched a pre-emptive strike on airfields in India's northwest. India retaliated with a coordinated land, air and sea assault on East Pakistan. It compelled the Pakistani Army to surrender at Dhaka, and more than 90,000 Pakistani soldiers were taken prisoners of war. East Pakistan became an independent country, Bangladesh, on 6 December 1971.

In July 1972, Indian Prime Minister Indira Gandhi and her Pakistani counterpart Prime Minister Zulfikar Ali Bhutto signed an agreement in the Indian town of Simla known as Shimla Agreement. The Shimla Agreement designated the ceasefire line of 17 December 1971 as being the new "*Line of Control (LoC)*" between the two countries, which neither side was to seek to alter unilaterally, and which "*shall be respected by both sides without prejudice to the recognised position of either side*".

STOP TO CONSIDER

2nd July, 1972, Pakistani Prime Minister Zulfikar Ali Bhutto and Indian Prime Minister Indira Gandhi sign an agreement in Simla, in which both countries agree to “put an end to the conflict and confrontation that have hitherto marred their relations and work for the promotion of a friendly and harmonious relationship and the establishment of a durable peace in the subcontinent”.

➤ **Kargil War (1999)**

Indian Prime Minister Atal Bihari Vajpayee travelled by bus to Lahore, which was the newly opened Delhi–Lahore Bus service to meet Prime Minister Nawaz Sharif. The two signed the Lahore Declaration, the first major agreement between the two countries since the 1972 Simla Agreement. Both countries reiterated that they remained committed to the Simla Agreement and agreed to undertake several Confidence Building Measures (CBMs) aimed at improving bilateral relations.

Then in May, the Kargil conflict broke out when Pakistani forces intruded and occupied strategic positions on the Indian side of the LoC, prompting an Indian counter-offensive in which Pakistani forces were pushed back to their side of the original LoC. Kargil was the first armed conflict between the two neighbours since they officially conducted nuclear weapons tests. Recognition of the potential for escalation of this conflict and its wider implications caused the then US President Bill Clinton to summon Pakistani Prime Minister Nawaz Sharif and demand that he reins in his troops.

Since then, there have been many conflicts in the border areas between the security forces of both countries, but they have not fought any major wars.

2.5 Cross-Border Terrorism and Firings

Cross-border terrorism is a violent act that involves using one country's territory to create terror in neighbouring countries. It can be carried out using explosives, lethal weapons, or other hazardous substances. It can also involve cyber-attacks, political warfare, and sponsoring armed proxy fighters. Cross-border terrorism has

remained a major factor in the strained relationship between India and Pakistan.

➤ **Attack in Kashmir Valley in 1989**

Muslim political parties, after accusing the state government of rigging the 1987 state legislative elections, formed militant wings and began armed insurgency in the Kashmir Valley. Pakistan declared that it was providing moral and diplomatic support to the militants. However, it is widely believed internationally that Pakistan is complicit in stoking the insurgency by providing funding, directions, shelter, weapons and training to fighters. India is convinced that the armed attacks against its forces in Jammu & Kashmir are a clear manifestation of cross-border terrorism by Pakistan in pursuit of its policy of *'bleeding India through a thousand cuts'*. But Pakistan denies this. Militant groups taking part in the fight in the Kashmir Valley continued to emerge through the 1990s, their ranks bolstered by a large influx of battle-hardened *"Mujahideen"* who had earlier taken part in the Afghan war against the Soviets.

Many pan-Islamic terrorist groups like the Lashkar-e-Taibah (LeT), Jaish-e-Muhammad (JeM) and Hizbul Mujahideen continued to be active in Jammu & Kashmir. It is widely believed in international circles, including by several Western governments, that these groups are headquartered in Pakistan and Pakistan-administered Jammu & Kashmir.

➤ **Attack in the Indian Parliament in 2001**

On 13 December 2001, an armed attack on the Indian parliament in New Delhi left 14 people dead. LeT and JeM were held responsible

for the attacks. The attacks led to the massing of India and Pakistan's militaries along the LoC. The standoff ended only in October 2002, after international mediation.

➤ **Mumbai Attack in 2008**

On 26 November 2008, in one of the most gruesome terrorist attacks the world has witnessed, gunmen opened fire on civilians at several sites in Mumbai, India. The attacked places were the Taj Mahal Palace & Tower, the Oberoi Trident Hotel, the Chhatrapati Shivaji Train Terminus, Leopold Cafe, Cama Hospital, Nariman House Jewish Community Centre, Metro Cinema, St. Xavier's College and a lane near the Times of India office. More than 160 people were killed in the attacks. An almost three-day siege of the Taj, where gunmen remained holed up until all but one of them were killed in an Indian security forces operation, accounted for the bulk of the casualties. Ajmal Kasab, the only attacker captured alive, confessed that the attackers were members of LeT. Tracking calls and communications all linked to Pakistan, where the attack was plotted and directed. In the wake of the attacks, India broke off talks with Pakistan. The Pakistani government admitted that the Mumbai attacks were planned on Pakistani soil but denied that the plotters were sanctioned or aided by Pakistan's intelligence agencies.

➤ **Pathankot Attack in 2016**

JeM terrorists carried out a deadly attack on the Pathankot airbase in India's northwestern state of Punjab in January. The attack comes a week after Prime Minister Modi made an impromptu visit to Pakistani counterpart Nawaz Sharif to revive bilateral talks. In September, JeM terrorists stormed an army base in Uri, in Indian Administered Jammu & Kashmir, and killed 17 Indian soldiers. On

29 September, India, in its first direct military response to the attack in Uri, conducted ‘*surgical strikes*’ on suspected terrorists across the LoC in Pakistan-administered Jammu & Kashmir.

➤ **Attacks in LoC in 2017**

The Indian Army bombed Pakistani Army check posts in Nowshera along the LoC in May, which according to Army spokesman, Ashok Narula, was done to prevent infiltration of terrorists into Indian Administered Jammu & Kashmir. Terrorists attacked Hindu pilgrims in Jammu & Kashmir in July, killing at least seven and injuring 16, in the worst such attack since 2000. In December, Indian Army commandos crossed the LoC in Jammu & Kashmir and killed three Pakistani soldiers, two days after four Indian Army men were shot dead in an ambush in the Keri sector of Rajouri.

➤ **Cross Border Firings in 2018**

In January, the Indian Army claimed that in total, it killed 138 Pakistan Army personnel in 2017 in tactical operations and retaliatory cross-border firings along the LoC in Jammu & Kashmir and lost 28 soldiers during the same period. In May, after several months of deadly violence and cross-border firing along the LoC, India and Pakistan agreed to fully implement the ceasefire pact of 2003 in “*letter and spirit*” forthwith to stop cross-border firing. Later in the month, Indian Special Forces foiled an attack by Pakistan's Border Action Team (BAT).

In June, the UN Office for the High Commissioner for Human Rights (OHCHR) issued the first-ever UN report detailing human rights abuses in Kashmir titled “*Report on the Situation of Human Rights in Kashmir: Developments in the Indian State of Jammu and*

Kashmir from June 2016 to April 2018, and General Human Rights Concerns in Azad Jammu and Kashmir and Gilgit-Baltistan". This 49-page report of the High Commissioner for Human Rights Zeid Ra'ad Al Hussein displays a pronounced pro-Pakistan bias in its assessment of the human rights situation on the two sides of the LoC while UN-designated terrorist organizations and terrorists are classified as '*armed groups*' and '*leaders*', as many as 38 times, in the report by the OHCHR.

➤ **Pulwama Attack in 2019**

On 14 February, 40 members of the Indian Central Reserve Police Force (CRPF) were killed in a suicide bombing in Pulwama in Indian Administered Jammu & Kashmir. This is the deadliest assault on Indian forces in the troubled region in decades. On 15 February, JeM, a Pakistan-based terrorist organisation, claimed the attack and released a video identifying the suicide bomber. Two days later, India hiked tariffs on all imports from Pakistan to 200% with immediate effect.

On 18 February, days after orchestrating a devastating suicide bombing which left 40 Indian security forces dead, JeM terrorists killed an Indian Army major and at least three other soldiers in Jammu & Kashmir. Reportedly, two terrorists, including a commander of the JeM, thought to have been the masterminds behind the attack on 14 February, were killed in an exchange of gunfire with the Indian Army.

Pakistani Prime Minister Imran Khan, on 19 February, expressed his willingness to negotiate and cooperate with India regarding the Pulwama attack on 14 February. Indian Prime Minister Narendra Modi vowed a strong response, saying, "*We will give a befitting reply, our neighbour will not be allowed to destabilise us*". Indian

and Pakistani armies exchanged fire on 25 February at the LoC in Jammu & Kashmir's Rajouri district.

On 26 February, the Indian government carried out '*non-military pre-emptive*' strikes targeting Pakistan-based terrorist group JeM's '*biggest training camp*' near Balakot in the Pakistani province of Khyber Pakhtunkhwa. After initially denying that any such incident had occurred, Pakistan subsequently acknowledged that Indian fighter aircraft had indeed penetrated deep into Pakistani territory undetected and had dropped bombs near Balakot. Major General Asif Ghafoor, spokesperson for the Pakistan armed forces, however, said that the strikes hit an empty area. On 27 February, the Pakistan Army warned that it would respond to India's aerial bombing. The Indian Air Force shoots down a Pakistani F-16 fighter, while Pakistan downs two Indian fighter jets and captures one Indian pilot. On 28 February, Imran Khan said that the captured Indian Air Force pilot would be released as a "*peace gesture*". Reports suggest that the Pakistani Prime Minister may have been under international pressure, especially from the US. In the first week of April, India and Pakistan traded fire in the region of Jammu & Kashmir, leaving seven people dead.

Bilateral Talks and Meetings held between both the Governments:

- 8th April, 1950, Liaquat-Nehru Pact on Minority Rights.
- Following the 1962 Sino-Indian war, Swaran Singh and Zulfikar Ali Bhutto, the foreign ministers of India and Pakistan, discussed the Kashmir dispute.
- Indian Prime Minister Atal Bihari Vajpayee meets with Nawaz Sharif, his Pakistani counterpart, in Lahore. The two

signed the Lahore Declaration, the first major agreement between the two countries since the 1972 Simla Accord. Both countries reaffirm their commitment to the Simla Accord and agree to undertake several 'Confidence Building Measures' (CBMs).

- Vajpayee and Musharraf hold direct talks at the 12th SAARC summit in Islamabad in January 2004, and the two countries' foreign secretaries meet later in the year. This year marked the beginning of the Composite Dialogue Process, in which bilateral meetings are held between officials at various levels of government (including foreign ministers, foreign secretaries, military officers, border security officials, anti-narcotics officials and nuclear experts).
- In 2007, the fifth round of talks regarding the review of nuclear and ballistic missile-related CBMs was held as part of the Composite Dialogue Process. The second round of the Joint Anti-Terrorism Mechanism (JATM) was also held.
- In 2009, Pakistani Prime Minister Yousaf Raza Gilani and Indian Prime Minister Singh met on the sidelines of a Non-Aligned Movement (NAM) summit in Sharm el-Sheikh, Egypt, issuing a joint statement charting future talks.
- In 2013, the prime ministers of India and Pakistan met in New York on the sidelines of the UN General Assembly. Both leaders agreed to end the tension between the armies of both sides in the disputed Kashmir.
- In 2014, Indian Prime Minister Narendra Modi held talks with Pakistan's Prime Minister Nawaz Sharif in New Delhi expressing willingness to begin a new era of bilateral relations.^{16th} October 2024, External Affairs Minister S

Jaishankar met Pakistan's Prime Minister Shehbaz Sharif to discuss topics at the SCO dinner in Islamabad.

SELF ASKING QUESTION:

What specific measures can a country take to effectively counter cross-border terrorism, considering the challenges of diplomatic engagement with neighbouring states where terrorist groups operate? (within 80 words)

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2.6 Trade and Commerce

Bilateral trade between India and Pakistan is very small, given the size of their economies. In 2018-19, India's exports to Pakistan stood at \$2.06 billion, while imports were only \$495 million. This resulted in a large trade surplus for India. Trade relations between the two countries have been hampered by political tensions and the trust deficit. Pakistan has imposed several non-tariff barriers which restrict Indian exports. There are two major routes via which trade is commenced between the two countries:

1. Sea Route – Mumbai to Karachi
2. Land Route – via Wagah Border through trucks

The two countries had signed a Trade agreement on 24th June 1949 and another in 1950 which was mutually beneficial for both. Discussed below are the ten Articles of the Trade Agreement:

- **Article I** – The exchange of products shall be done based on the mutual requirement of both countries, ensuring common advantages
- **Article II** – About the commodities/goods mentioned in Schedules ‘A’ and ‘B’ attached to this Agreement, the two Governments shall facilitate imports from and exports to each other’s territories to the extent permitted by their respective laws, regulations and procedures
- **Article III** – The import/export shall take place only through commercial means approved by both sides
- **Article IV** – Concerning commodities/goods not included in Schedules ‘A’ and ‘B’, export or import shall also be permitted under the laws, regulations and procedures in force in either country from time to time
- **Article V** – Each Government shall accord to the commerce of the country
- **Article VI** – There are a few exceptions for Article V
- **Article VII** – The General Agreement on Tariffs and Trade must be followed
- **Article VIII** – Border trade shall be allowed for the day-to-day requirement of commodities
- **Article IX** – For proper implementation of the agreement, meetings can be done every six months
- **Article X** – The Trade Agreement between the two countries will be effective from February 1, 1957

➤ **Products India Imports from Pakistan:**

Raw Cotton, Hides & Skins, Buffalo hides, Cowhides, Skins, Goat Skins, Sheep, Raw Jute, Rock Salt, Rape & Mustard seed.

➤ **Products India Exports to Pakistan:**

Asbestos Cement sheets, Canvas, Coal, Chemicals- Sulphuric acid, Aluminium sulphate, Nitric acid, Magnesium sulphate, Hydrochloric acid, Ferrous sulphate, Cloth – Mill-made, Handloom, Cotton yarn, Jute products, Paints & Varnishes, Bauxite, Electrical Steel Sheets, Sea Salt, Steel, Pig, Iron, washing soap, Pitching Stone and Ballast, Ferromanganese, Ferrosilicon, Copra Oil, Vanaspati.

The trade agreement has also faced a downfall when it comes to the relations between India and Pakistan. In 2019, after the Pulwama terror attack, India hiked customs duty on exports from Pakistan to 200% and subsequently, Pakistan suspended bilateral trade with India on August 7, 2019. It also revoked Pakistan's Most Favoured Nation status. Pakistan then suspended all bilateral trade with India.

STOP TO CONSIDER

India and Pakistan have had multiple trade agreements, including ones in 1949, 1951, and 1963. The agreements aim to promote trade between the two countries by allowing the import and export of goods and commodities.

SELF ASKING QUESTION:

Discuss the impact of political tensions on trade relations between India and Pakistan.

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2.7 Attempts for Engagement

India has consistently advocated for normalized and peaceful relations with Pakistan. It believes engagement and dialogue are the way forward to resolve issues and improve ties. The Composite Dialogue between India and Pakistan from 2004 to 2008 addressed all outstanding issues. It had completed four rounds, and the fifth round was in progress when it was paused in the wake of the Mumbai terrorist attack in November 2008. Then again, in April 2010, the Prime Minister Manmohan Singh and Pakistani PM Yousuf Raza Gillani, on the margins of the SAARC Summit, spoke about the willingness to resolve the issue and resume the bilateral dialogue.

In 2011, after a meeting between the Foreign Ministers of both countries, the bilateral ties were resumed on issues including:

- Counterterrorism & Humanitarian issues
- Economic issues at Commerce
- Tulbul Navigation Project at Water Resources Secretary-level
- Siachen at Defence Secretary-level
- Peace & Security including Confidence Building Measures (CBMs)
- Jammu & Kashmir
- Promotion of Friendly Exchanges at the level of the Foreign Secretaries.

Cross-LoC travel was started in 2005, and trade across J&K was initiated in 2009. India and Pakistan signed a visa agreement in 2012, leading to the liberalization of bilateral visa regimes between the two countries.

After the BJP government came to power in 2014, Prime Minister Modi invited then-Pakistani Prime Minister Nawaz Sharif to his

swearing-in ceremony. The two prime ministers also met in Ufa, Russia, in 2015 to discuss ways to improve ties. However, the meeting did not yield much progress. In December 2015, Indian External Affairs Minister Sushma Swaraj visited Islamabad. She attended the Heart of Asia conference there. However, no bilateral talks were held during the visit. In 2018, Prime Minister Modi called up newly elected Pakistani Prime Minister Imran Khan to congratulate him. Pakistan then requested a meeting between the two foreign ministers in New York. However, Pakistan has not reciprocated India's engagements in the same spirit. It has maintained restrictions on trade and people-to-people contact. After the Pulwama attack in 2019 and the Balakot airstrikes, Pakistan downgraded diplomatic ties with India. This was an attempt to project a negative image. India has urged Pakistan to reconsider its actions and maintain normal diplomatic channels.

2.8 Indus Waters Treaty

The Indus Water Treaty is a water-distribution agreement signed on September 19, 1960, between India and Pakistan, sponsored and negotiated by the World Bank, to use the water available in the Indus River and its five major tributaries. The Treaty provides India jurisdiction over the waters of three “eastern rivers” — the Ravi, Beas, and Sutlej, which have a mean annual flow of 33 million acre-feet (MAF). Meanwhile, Pakistan uses the waters of the Indus, Jhelum, and Chenab, three “western rivers,” with an average annual flow of 80 MAF. The Treaty went into force on April 1, 1960.

The 115th meeting of the Permanent Indus Commission (PIC) was held on August 29 and 30, 2018, in Lahore. The Indian delegation was led by the Indian Commissioner for Indus Water (ICIW), while the Pakistan delegation was led by the Pakistan Commissioner of

Indus Water (PCIW). In the two-day meeting, both sides discussed the Pakal Dul Hydroelectric Power Project (HEP), Lower Kalnai HEP and reciprocal tours of Inspection to both sides of the Indus basin. Subsequently, a delegation led by PCIW inspected Pakal Dul, Lower Kalnai, Ratle and other hydropower projects in the Chenab Basin between January 28 and 31, 2019.

CHECK YOUR PROGRESS

1. Write a note on the Indus Water Treaty.
2. Discuss the prospects and challenges of trade relations between India and Pakistan.

2.9 People-to-People Relations

The communal riots and ethnic cleansing that followed Partition, as well as debates over resource allocation and water sharing both during and after Partition, all contributed to the development of ‘enemy’ and ‘other’ concepts and identities in the social fabric. However, visits to religious sites between India and Pakistan are controlled under the 1974 Bilateral Protocol on Visits to Religious Shrines. According to the protocol, three Hindu pilgrimages and four Sikh pilgrimages visit 15 sites in Pakistan each year, while five Pakistan pilgrimages visit seven shrines in India. Over the last five years, India’s efforts have resulted in the release of 30 civilian prisoners and 2080 fishermen. Since 2014, India has been successful in the repatriation of 2133 Indians from Pakistan’s custody (including fishermen), and still, about 275 Indians are believed to be in their custody. In October 2017, the revival of the Joint Judicial Committee was proposed by India and accepted by Pakistan, wherein, the humanitarian issues of custody of fishermen and prisoners, especially the ones who are mentally not sound in each other’s custody need to be followed. The Bilateral Protocol on Visits to Religious Shrines was signed between the two countries in 1974. The protocol provides for three Hindu pilgrimages and four Sikh

pilgrimages every year to visit 15 shrines in Pakistan, while five Pakistan pilgrims visit shrines in India.

2.10 Kartarpur Corridor

Gurdwara Darbar Sahib is the final resting place of the Sikh founder, Guru Nanak Dev. It is an important pilgrimage site for Indian Sikhs. For decades, Indian Sikhs could only see the gurdwara from the Indian side of the border but could not visit it. They had to undertake a journey of hundreds of kilometres to visit the shrine. In 1999, the idea of a corridor linking the two gurdwaras was proposed. It languished for years due to tense India-Pakistan ties. In 2018, Pakistan approved the construction of the Kartarpur Corridor. India also agreed to build the corridor to promote people-to-people ties between the two countries. The corridor was finally inaugurated on November 9, 2019, on the occasion of Guru Nanak's 550th birth anniversary. It allowed Indian pilgrims visa-free access to Gurdwara Darbar Sahib. The opening of the Kartarpur Corridor was seen as a rare example of cooperation between India and Pakistan. It brought a sense of optimism for better ties.



Source: India Map

CHECK YOUR PROGRESS

1. Make a summary of various peace initiatives since the 1990s.
2. Describe and discuss the 1971 war and the liberation of Bangladesh.

2.11 India's Policy Towards Pakistan Since 2014

After the electoral victory of the BJP and its NDA allies in the 2014 general election, Prime Minister Narendra Modi invited all the SAARC heads of state and government to his swearing-in ceremony. The new government also announced its Neighbourhood First policy in all earnestness. Prime Minister Modi made an unannounced two-hour stopover in Lahore on his return journey from Afghanistan and Russia on 24 December 2015. Earlier, during their meeting in Paris on climate change, Modi and Nawaz Sharif had agreed to launch what they described as the Comprehensive Dialogue. After a brief thaw following the election of new governments in both nations, bilateral discussions again stalled after the terrorist attacks on 2 January 2016 at the Pathankot Air Force 147 Station. The 2016 Pathankot attack was a terrorist attack committed on 2 January 2016 by a heavily armed group which attacked the Pathankot Air Force Station, part of the Western Air Command of the Indian Air Force. The attackers belonged to Jaish-e-Mohammed (JeM), an Islamist militant group designated a terrorist organisation by India, the US, the UK and the UN. The attack led to a breakdown in India-Pakistan relations. Media reports suggested that the attack was an attempt to derail a fragile peace process meant to stabilise the deteriorating relations between India and Pakistan. On 18 September 2016, there took place the deadliest terrorist attack on the security forces in two decades when JeM terrorists attacked the Indian military camp in

Uri in Kashmir, resulting in the death of 19 Indian army soldiers. India cancelled its participation in the 16th SAARC summit, which was scheduled to be held in Islamabad in November 2016, citing increasing cross-border terrorist attacks in the region and growing interference in the internal affairs of Member States by one country. On 28 September 2016, the Indian army carried out "surgical strikes" against the terrorist "launch pads" by crossing the LOC into the POK. Western news media reported the death of some 150 terrorists in India's retaliatory military operation. Since 2016, the ongoing confrontation and continued terrorist attacks have resulted in the collapse of bilateral relations. India's policy is to diplomatically and politically isolate Pakistan in the international community and take necessary steps to induce change in the behaviour of the Pakistani establishment towards India. There is a strong public opinion not to have any dialogue with Pakistan.

According to a 2017 BBC World Service poll, only 5 per cent of Indians view Pakistan's influence positively, with 85 per cent expressing a negative view, whereas 11 per cent of Pakistanis view India's influence positively, with 62 per cent expressing a negative view. Since 2016, the ongoing confrontation and the continued terrorist attacks have resulted in the collapse of bilateral relations, with no hope of an early resumption of any dialogue.

Relations deteriorated further in 2019. There was an attack on an Indian military convoy in Pulwama on 14 February 2019, which resulted in the death of 40 Indian paramilitary troops. On 26 February 2019, Indian Air Force warplanes crossed the LOC and destroyed the terrorist camps in Balakot in Khyber Pakhtunkhwa province in Pakistan. It was a pre-emptive strike on a terrorist training camp and resulted in the deaths of a large number of

terrorists who were planning to carry out terrorist activities in India. Tension increased as the Pakistani air force sought to target Indian positions in retaliation. Following the 2019 Pulwama attack, the Indian government revoked Pakistan's most-favoured-nation trade status. India also increased the customs duty to 200 per cent on imports from Pakistan, which affected the apparel and cement from Pakistan. Pakistan closed its airspace for India's 148-bound flights.

2.12 Revocation of Article 370

This is one of the most sensitive issues between India and Pakistan and has been a major cause of the sour relations the two countries share. Domestic policies and measures have external implications and fallouts. Article 370 was added to India's Constitution in 1949. It allows Jammu and Kashmir to have its constitution, a separate flag and independence over all matters except foreign affairs, defence and communications. On 5 August 2019, the Indian Government suddenly announced the revocation of Article 370 of the Constitution, which grants the state of Jammu and Kashmir considerable political autonomy. The Government says this is a long-overdue measure that will help to stabilise the situation by integrating the state fully into India. But there are fears that this move will only add fuel to the flames. It was given the status of a Union Territory, and this move of the Indian Government was highly objected to by Pakistan due to their longing to own Kashmir entirely. Pakistan's reaction has been one of outrage. Its foreign ministry was quick to say that India's move violates UN resolutions. On 7 August 2019, Pakistan expelled India's High Commissioner and recalled its top diplomat from New Delhi. It also announced the suspension of bilateral trade.

SELF ASKING QUESTION:

1. Analyse the impact of Article 370 on the political and economic development of Jammu & Kashmir.

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2. Analyse the peace-building initiatives undertaken by the Indian Government to improve relations with Pakistan.

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2.13 Prospects of Cooperation: Role of Multilateral Forums and their limitations

Despite many challenges, multilateral forums have occasionally played constructive roles in fostering limited cooperation or defusing crises. However, the effectiveness of these platforms is also constrained by structural and political limitations.

➤ **South Asian Association for Regional Cooperation (SAARC):**

SAARC was established in 1985 to promote regional cooperation and development among South Asian countries, including India and Pakistan. Despite being members, India and Pakistan's relations have strained SAARC's effectiveness. Several SAARC summits have been postponed due to tensions between the two countries. India and Pakistan's bilateral disputes, especially regarding Kashmir, have often overshadowed SAARC's agenda, hindering regional cooperation.

➤ **Shanghai Cooperation Organization (SCO):**

India and Pakistan became full members of the SCO in 2017, joining other Eurasian countries in security and economic

cooperation. Within the SCO, India and Pakistan discuss security and counter-terrorism measures. However, bilateral tensions sometimes limit their collaboration. Despite bilateral challenges, the SCO provides a platform for India and Pakistan to engage with other regional powers, fostering dialogue and cooperation on shared concerns.

➤ **United Nations (UN):**

Both India and Pakistan are members of the UN, participating in various forums and committees. At the UN, India and Pakistan often present divergent views on issues such as Kashmir and terrorism. Despite occasional diplomatic exchanges, deep-seated tensions persist. The UN serves as a platform for India and Pakistan to voice their concerns on international issues and seek resolutions through diplomatic channels. However, progress can be slow due to entrenched differences.

➤ **Heart of Asia – Istanbul Process (HoA-IP):**

Established in 2011, HoA-IP aims to promote regional cooperation and confidence-building measures among Afghanistan and its neighbours, including India and Pakistan. India and Pakistan participate in HoA-IP meetings, focusing on regional stability and economic connectivity in Afghanistan. However, bilateral tensions can hinder collaboration on shared objectives. Despite challenges, the HoA-IP provides a forum for India and Pakistan to engage constructively with other regional stakeholders, supporting efforts for peace and development in Afghanistan.

➤ **Limitations of Multilateral Forums:**

- **Bilateral Nature of Core Disputes**

Most contentious issues between India and Pakistan like Kashmir, cross-border terrorism, and ceasefire violations are inherently

bilateral. Because of which these issues are often considered outside the scope of multilateral intervention. This limits the role of multilateral forums in bringing peace between the two countries.

- **Lack of Binding Authority**

Multilateral bodies are not binding authorities in the way that national courts or governments are. They facilitate cooperation and negotiation between countries, leading to agreements, but enforcement ultimately relies on the participating nations' commitment to uphold those agreements. These forums often lack the enforcement power to compel action or resolve deep-rooted political disputes, especially when both parties are unwilling to cooperate.

- **Geopolitical Rivalries and Alliances**

Global and regional power dynamics affect the neutrality and credibility of multilateral forums. For example, China's growing influence in the Shanghai Cooperation Organisation (SCO) and Pakistan's close ties with China can create perceived imbalances for India. India is often sceptical of the SCO's efficacy due to the China-Pakistan alliance.

- **Ineffectiveness of Regional Forums**

SAARC, which could have been a key platform for cooperation, has been largely dormant due to India-Pakistan tensions, with summits frequently postponed or cancelled. The 2016 SAARC summit in Pakistan was cancelled after India and several other countries pulled out following the Uri attack.

STOP TO CONSIDER

Multilateral forums are groups of countries that work together to address shared challenges. The goal is to achieve more peaceful,
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prosperous, and sustainable outcomes. These forums can be formal or informal, institutional or ad-hoc, and can involve various actors beyond state representatives, such as civil society and the private sector.

2.14 Summing Up

Fostering better relations between India and Pakistan is imperative for regional stability and global peace, considering the nuclear capabilities of both nations. With the border tensions persisting, Pakistan needs to demonstrate its commitment to combating terrorism and promoting peace in the region. By doing so, Pakistan can pave the way for improved bilateral relations with India. Policymakers should focus on promoting dialogue, confidence-building measures, and cooperation in areas such as trade, energy, and counter-terrorism. A peaceful resolution of the Kashmir issue through diplomatic channels is essential for long-term stability in the region. Also, both nations can leverage soft power tools like sports (cricket, in particular) and cultural exchanges to increase people-to-people relations and mutual trust. Ultimately, both countries stand to benefit from cordial relations, which can contribute to prosperity and security for their citizens and the broader world.

2.15 References and Suggested Readings

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UNIT: 3

INDIA AND BANGLADESH

Unit Structure:

- 3.1 Introduction
- 3.2 Objectives
- 3.3 Creation of Bangladesh
- 3.4 India-Bangladesh Border
- 3.5 Phases of Relationship
- 3.6 Convergence in Relationship
- 3.7 Contentious issues in the relationship
- 3.8 Summing Up
- 3.9 References and Suggested Readings

3.1 Introduction

India shares its longest land boundary of 4,096.7 km with Bangladesh. The partition of India in 1947 led to the creation of Pakistan, with East Pakistan later emerging as modern-day Bangladesh. Given their historical unity before 1947 and geographical proximity, the two nations maintain deep-rooted historical, cultural, linguistic, and heritage-based connections. A notable cultural link is that Rabindranath Tagore authored the national anthems of both countries.

India played a crucial role in Bangladesh's independence as well as it was the first country to recognise Bangladesh as a sovereign state in December 1971 and promptly established diplomatic relations. Despite close historical ties, Bangladesh has always been cautious about coexisting with a much larger neighbour. Since its inception,

the “India factor” has been a significant element in Bangladesh’s foreign policy considerations. Often described as "India-locked" due to its extensive border with India and limited access to the sea, Bangladesh, in turn, plays a vital role in India’s connectivity strategy. India’s northeastern region is "Bangladesh-locked," necessitating transit routes through Bangladesh to enhance trade and regional connectivity, making transit rights a strategically significant issue. However, anti-India sentiments and the influence of orthodox Islamic factions in Bangladesh have at times led to strategic manoeuvring in relation. Many Indian policymakers contend that Bangladesh has been utilised by Pakistan’s Inter-Services Intelligence (ISI) as a base for insurgent groups, a transit route for militants, and a hub for its intelligence operations, thereby posing significant security challenges for India. Conversely, Bangladesh perceives Indian support for insurgents in the Chittagong Hill Tracts as a threat to its national security. This pattern of confrontational actions and countermeasures has led to tensions, while cooperative efforts have opened avenues for mutual benefit. This chapter examines the historical trajectory of bilateral relations between India and Bangladesh, exploring both the convergences and divergences that define their interactions.

3.2 Objectives

In this chapter, you are going to learn about

- *creation* of Bangladesh and the role of India;
- *importance* of Bangladesh in Indian foreign policy;
- *different* phases of India-Bangladesh relations;
- *converging* factors between the two countries;
- *issues* in India-Bangladesh Relations.

3.3 Creation of Bangladesh

The birth of Bangladesh in 1971 was a defining moment in South Asian history. It was not merely a liberation movement but also a consequence of political oppression, cultural subjugation, and economic disparity within Pakistan. When Pakistan was formed in 1947, it comprised two geographically and culturally distinct regions—West Pakistan (present-day Pakistan) and East Pakistan (present-day Bangladesh). Though East Pakistan had a larger population, political power remained concentrated in West Pakistan. The imposition of Urdu as the national language and economic policies that favoured the western wing led to growing resentment in East Pakistan. The Bengali Language Movement of 1952 and subsequent demands for autonomy for East Pakistan highlighted this discontent. The turning point came in the 1970 general elections, when Sheikh Mujibur Rahman's Awami League won a landslide victory, securing 160 out of 162 East Pakistani seats in the total 300 seats of the National Assembly. This gave the party a clear parliamentary majority, making Mujibur Rahman the rightful leader of Pakistan. However, the ruling establishment in West Pakistan, led by General Yahya Khan and Zulfikar Ali Bhutto, refused to transfer power. This political betrayal fuelled mass protests and demands for independence in East Pakistan. On March 25, 1971, Pakistan launched Operation Searchlight, a brutal military crackdown aimed at suppressing the Bengali independence movement. The operation led to widespread atrocities, including mass killings, forced disappearances, and sexual violence, which many historians classify as a genocide. Over 10 million refugees fled to India, creating a severe humanitarian crisis and putting immense pressure on India's economy and social fabric.

India played a crucial role in Bangladesh's creation. India's intervention in the Bangladesh Liberation War was motivated by

multiple factors. Firstly, the scale of atrocities in East Pakistan was staggering. Reports of mass executions, the destruction of villages, and sexual violence prompted international condemnation. India had to act to prevent further bloodshed and provide relief to the millions of refugees who had crossed into its territory. Secondly, the influx of refugees created immense socio-economic challenges, especially in West Bengal, Assam, Meghalaya, and Tripura. If the situation remained unresolved, it could have led to civil unrest and communal tensions within India. Additionally, the crisis presented a strategic opportunity for India to weaken Pakistan and eliminate the threat of a two-front war. A free Bangladesh would break Pakistan's strategic encirclement of India and ensure greater security on India's eastern borders. The Indira Doctrine, which emerged during this period, shaped India's foreign policy and intervention strategy. This principle states that India would not tolerate external interference in South Asia and would assert itself as the dominant regional power. India reserved the right to intervene in neighbouring countries if their instability posed a direct threat to Indian security.

Indira Gandhi, then Indian Prime Minister, launched a global diplomatic campaign to expose Pakistan's atrocities in East Pakistan. The Indo-Soviet Treaty of Peace, Friendship, and Cooperation (August 1971) was a crucial step in ensuring Soviet support and deterring intervention by China or the U.S., both of whom were backing Pakistan. Even before formal military intervention, India provided extensive training, arms, and intelligence support to the Mukti Bahini, the Bengali guerrilla resistance force. On December 3, 1971, Pakistan launched preemptive airstrikes on Indian airbases, prompting India to enter the war officially. Indian forces, in coordination with Mukti Bahini, launched a swift and well-coordinated attack. In the war, the U.S., under President Nixon, had supported Pakistan and even sent the

Seventh Fleet to the Bay of Bengal to intimidate India. However, the Indo-Soviet treaty ensured that any external intervention was deterred. The war lasted only 13 days, culminating in the surrender of 93,000 Pakistani troops on December 16, 1971. This is the largest surrender since World War II. This marked the birth of an independent Bangladesh. Bangladesh formally became an independent nation on December 16, 1971. Sheikh Mujibur Rahman became the first leader of Bangladesh and focused on rebuilding the war-ravaged nation. The success of the Bangladesh Liberation War reinforced India's role as the dominant power in South Asia. The dismemberment of Pakistan significantly weakened its military and geopolitical position. With Pakistan's eastern front eliminated, India reduced the threat of a two-front war.

3.4 India-Bangladesh Border:

India shares its longest international border with Bangladesh, spanning over 4,096.7 kilometres and extending across West Bengal, Assam, Meghalaya, Tripura, and Mizoram. Of this total length, 3,232.218 kilometres have been fenced, while 864.482 kilometres remain unfenced, including 174.514 kilometres considered non-feasible due to challenging terrain. The complex demarcation process of the border left behind several enclaves and unresolved border disputes between the two countries. Many of these were addressed through the landmark 2015 Land Boundary Agreement (LBA). The border terrain varies from plains to riverine and hilly or jungle areas, often lacking natural obstacles. These gaps allow some illegal migrants to cross the border surreptitiously, making it difficult to determine their exact number. In many stretches, agricultural activities extend right up to the border, complicating fencing efforts. While border infrastructure projects—including fences, roads, floodlights, and Border Outposts (BOPs)—

are ongoing, and regular patrolling, observation posts, and anti-tunnelling operations are in place. Recently, tensions between New Delhi and Dhaka have escalated, especially following calls from Bangladesh's interim government under Muhammad Yunus for border residents to resist India's efforts to repatriate illegal migrants. India has intensified surveillance along this stretch of the border, particularly following Operation Sindoor, which aimed to enhance vigilance in the eastern sector. In a bid to control unregulated imports, India has also restricted the entry of consumer goods from Bangladesh through northeastern land routes, permitting only limited imports via seaports such as Kolkata and Nhava Sheva.

Indian states that share a border with Bangladesh

West Bengal:

West Bengal shares the longest segment of India's border with Bangladesh, spanning approximately 2,216 kilometres. This region holds unique historical, linguistic, and cultural ties with Bangladesh, positioning West Bengal as a crucial player in shaping India-Bangladesh bilateral relations. It hosts key transit hubs such as the Petrapole-Benapole border point, which facilitates a significant volume of cross-border trade. Additionally, infrastructure linkages like the Dhaka-Kolkata bus and train routes underscore West Bengal's role as a vital regional connector. However, water-sharing issues between West Bengal and Bangladesh remain a longstanding point of contention, particularly concerning the Ganges/Padma River system and the management of the Farakka Barrage. A notable example occurred in 2011, when West Bengal Chief Minister Mamata Banerjee objected to the proposed Teesta water-sharing agreement, citing concerns over the impact on her state's population. Her opposition effectively derailed the agreement, demonstrating

how state-level actors can significantly influence foreign policy outcomes—a phenomenon known as para-diplomacy. This case illustrates the increasing relevance of subnational governments in international diplomacy, particularly in contexts where local interests intersect with broader bilateral engagements.

Assam:

Assam shares a 263-kilometre border with Bangladesh, mostly concentrated around the Barak Valley, a region that has cultural and linguistic ties with Sylhet in Bangladesh. The Assam-Bangladesh border has long been sensitive due to illegal immigration, which has fuelled political and social tensions. The implementation of the National Register of Citizens (NRC) and the ongoing citizenship debates are rooted in these cross-border migration issues. In May 2025, Assam's Chief Minister, Himanta Biswa Sarma, declared a "push back" policy targeting undocumented Bangladeshi immigrants and Rohingya refugees. Reports indicated that several such individuals were returned across the border, including those detained in the Matia transit camp in Goalpara district. This policy reflects a broader crackdown that includes rounding up suspected undocumented individuals across different Indian states.

Tripura:

Tripura shares an 856-kilometre border with Bangladesh and is geographically almost enveloped by it on three sides, giving the state a distinctive strategic and historical significance in India-Bangladesh relations. Its role during the 1971 Bangladesh Liberation War was particularly notable, as Tripura served as a key base for the Mukti Bahini's guerrilla operations against the Pakistani military and provided refuge to a disproportionately high number of

Bangladeshi civilians, more per capita than any other region in India. This massive influx of refugees altered Tripura's demographic composition, contributing to ethnic tensions and the emergence of insurgency in subsequent years. In recent decades, Tripura has become central to India's efforts to enhance connectivity with its eastern neighbours under initiatives like the Northeastern Region Vision 2008. Key infrastructure projects such as the Feni Bridge—linking Sabroom in Tripura with the port city of Chittagong—and the Agartala–Akhaura rail line are reshaping the state from a landlocked outpost to a regional trade hub. These developments are complemented by the establishment of Tripura's first Special Economic Zone (SEZ) at Sabroom. Furthermore, the operationalisation of the Sonamura–Daudkandi inland waterway in September 2020 has opened new avenues for trade by connecting Tripura to the National Waterways of India through Bangladesh.

Meghalaya:

Meghalaya's 443 km border with Bangladesh is characterised by hilly terrain and dense forests, which make border patrolling difficult. The state shares cultural ties through ethnic communities such as the Khasis and Garos, who live on both sides of the boundary. A unique feature of Meghalaya's cross-border engagement has been the establishment of border haats—small markets aimed at boosting local trade. The Balathaat in East Khasi Hills and Kalaicharhaat in South West Garo Hills were among the earliest such initiatives, set up in 2012. However, these haats have remained closed for over 10 months due to administrative delays and recent political uncertainties in Bangladesh (2024). Their reopening awaits approval from the interim government in Dhaka, leaving local trade in limbo.

Mizoram:

Mizoram shares a 318-kilometre border with Bangladesh. Although not as prominently featured in India-Bangladesh relations, this border is strategically significant due to its potential in regional connectivity, especially through the Agartala-Akhaura rail project. Mizoram is known for its cultural exchanges and trade routes with Bangladesh. Most of the border remains unfenced, making surveillance and security enforcement challenging. In response to growing concerns over militant infiltration and illegal crossings, the state has been placed on high alert, with security forces stationed at key locations.

STOP TO CONSIDER:**Geopolitical Significance of Bangladesh for India**

Bangladesh holds a pivotal position in India's strategic calculus due to its geographic location. The following factors highlight Bangladesh's strategic importance for India:

1. Security of the Northeast

India's northeastern region, comprising eight states, is landlocked and connected to the Indian mainland only through the narrow Siliguri Corridor, also known as the "Chicken's Neck." Bangladesh's geographical proximity to this region makes it a key player in ensuring stability. Cooperation with Bangladesh is vital for curbing insurgency movements, preventing cross-border illegal activities, and facilitating economic development in the Northeast. Enhanced connectivity through Bangladesh, including transit rights and infrastructure projects, reduces India's dependence on the narrow Siliguri Corridor, thereby strengthening national security.

2. Bridge to Southeast Asia

Bangladesh serves as a crucial link between India and Southeast Asia, making it integral to India's Act East policy. Improved road, rail, and maritime connectivity with Bangladesh allows India to engage more effectively with ASEAN nations. Projects such as the India-Bangladesh Friendship Pipeline, the Bangladesh-Bhutan-India-Nepal (BBIN) initiative, and the India-Myanmar-Thailand Trilateral Highway demonstrate Bangladesh's role in fostering regional integration. This leveraging can help India expand trade, investment, and people-to-people exchanges with Southeast Asian economies.

3. Securing Sea Lines of Communication

The Bay of Bengal is a strategically important maritime zone for India. It serves as a crucial hub for trade and energy supply routes. Bangladesh's maritime proximity enhances India's ability to secure critical sea lines of communication (SLOCS) that facilitate international trade. Through maritime cooperation, India and Bangladesh can jointly address security concerns such as piracy, illegal fishing, and illicit trafficking. The operationalisation of the India-Bangladesh Coastal Shipping Agreement and naval exercises further strengthens maritime security in the region.

4. Fighting Terrorism and Radicalisation

Terrorism and radical extremism remain significant challenges in South Asia. Bangladesh's cooperation is essential in countering cross-border terrorism, dismantling extremist networks, and preventing the spread of radical ideologies. Under the Sheikh Hasina government, Dhaka has played a proactive role in cracking down on anti-India insurgent groups that previously operated from its territory. Enhanced intelligence-sharing, joint counterterrorism operations, and deradicalisation programs between the two nations

bolster regional security and prevent extremist elements from exploiting the porous borders.

5. Balancing an Assertive China

China's growing economic and strategic footprint in South Asia poses a challenge for India. Bangladesh, as a recipient of substantial Chinese investments under the Belt and Road Initiative (BRI), plays a key role in the regional balance of power. While Bangladesh seeks to maintain a neutral foreign policy, India's engagement through infrastructure investments, defence cooperation, and economic partnerships helps counterbalance China's influence. Strengthening India-Bangladesh ties ensures that Dhaka remains a reliable partner rather than drifting into China's strategic orbit.

CHECK YOUR PROGRESS

- Q. Describe the events and significance of the Bangladesh Liberation War.
- Q. What were the reasons behind India's support for Bangladesh's independence?
- Q. What is the strategic and economic importance of Bangladesh for India?

3.5 Phases of Relationship

Sreeradha Datta and Krishnan Srinivasan in their chapter in *The Oxford handbook of foreign policy* (2015) have discussed four phases of India-Bangladesh relations determined by developments within that country marked by: 1) The Mujib era, 2) The period of military rule till 1990, 3) End of military rule and establishment of multi-party democracy 1991-2009 and 4) Phase of One-Party Dominance of Awami League. Given the recent political transition

in Bangladesh, with Sheikh Hasina stepping down and an interim government under Md Yunus taking charge, it can be argued that India-Bangladesh relations are now entering a new phase.

Phase I: India-Bangladesh Relations during Mujibur Rahman's Era

After the Bangladesh Liberation War, Sheikh Mujibur Rahman became the Prime Minister of Bangladesh and is regarded as the Father of the Nation. Mujib's vision of secularism, socialism, and Bengali nationalism aligned with India's regional interests. He maintained a close relationship with India, aligning Bangladesh with India's regional vision. In recognition of India's support, Bangladesh enjoyed warm and cordial relations with India during his tenure (1971–1975). One of the landmark agreements of this period was the India-Bangladesh Treaty of Friendship, Cooperation, and Peace, signed in 1972. This treaty was valid for 25 years. India provided extensive economic aid and technical assistance to rebuild Bangladesh after the war. Bangladesh depended on India for trade, infrastructure, and food supplies in the initial years. Both nations cooperated to prevent insurgency movements and maintain stability in the region. For transit and connectivity, Mujib's government allowed India to use Bangladeshi territory for transit to its northeastern states. Both countries worked towards restoring rail, road, and waterway links disrupted after Partition in 1947. However, one of the early signs of strain in relations was the Farakka Barrage on the Ganges River, built by India to control water flow. Bangladesh expressed concerns over reduced water supply, which later became a long-standing dispute. Some sections in Bangladesh felt that India had too much influence over the country's economy and politics. Pro-Islamist and anti-India factions within Bangladesh opposed Mujib's close ties with India. As a result, Sheikh Mujibur

Rahman was assassinated in a military coup led by General Ziaur Rahman. His assassination marked a turning point in India-Bangladesh relations as the new regime distanced itself from India and leaned towards Pakistan, China, and the United States.

Phase II: India-Bangladesh Relations in the Era of Military Rule

The assassination of Sheikh Mujibur Rahman in the 1975 coup marked a dramatic shift in India-Bangladesh relations. His daughters, Sheikh Hasina and Sheikh Rehana, were granted asylum in India until 1981. The coup was orchestrated by elements within the Bangladeshi army and civil society, with support from Pakistan. Following the coup, General Zia-ur-Rahman assumed power. He brought a fundamental reconfiguration of Bangladesh's national identity and foreign policy. The core of this transformation was the emphasis on Islam as the primary identity of Bangladesh. Consequently, Islam was declared the state religion. Islam replaced linguistic identity as the dominant mobilising force, strengthening ties with Pakistan and the OIC (Organisation of Islamic Cooperation). Zia-ur-Rahman distanced Bangladesh from India. As Dhaka sought closer ties with Pakistan, the U.S., China, and Saudi Arabia, India's special status as Bangladesh's key ally was eroded.

The trend set by Zia continued under General Hussain Muhammad Ershad's rule (1982-1990). His government further entrenched Islamic nationalism and sought greater engagement with Middle Eastern countries. The 1971 war, the 1970 cyclone, and internal displacement left Bangladesh heavily dependent on foreign aid. Often linking it to religious and strategic considerations, Saudi Arabia and other Islamic nations increased their aid to Bangladesh. India assisted Bangladesh but did not rank among its top donors. This limited India's economic influence in the country. Initially viewed as a liberator, India's influence in Bangladesh soon came

under scrutiny. Many in Bangladesh perceived India as a hegemonic power, disregarding Bangladesh's independent policy interests. Critics argued that India should act as a supportive "elder brother" rather than a dominant "big brother." Despite India's diplomatic efforts, the era of military rule in Bangladesh saw the marginalisation of Indo-Bangladeshi cooperation.

Phase III: Era of Multi-Party Democracy

A mass movement in 1990, known as '90's Anti-Authoritarian Movement, took place on 4 December. This led to the fall of the authoritarian regime of General Hussain Muhammad Ershad and led to regular elections in Bangladesh. Thereafter, power mainly shifted between the Awami League (AL) and the Bangladesh Nationalist Party (BNP). The trajectory of India-Bangladesh relations remained heavily influenced by the political party in power. Regime changes often led to shifts in policy direction towards India. At the core of the bilateral relationship was the tension between India's regional leadership ambitions and Bangladesh's resistance to following India's lead. While India prioritised security concerns, Bangladesh focused on decision-making autonomy and economic interests.

The Bangladesh Nationalist Party (BNP), led by Begum Khaleda Zia, the widow of General Zia-ur-Rahman, promoted a nationalist ideology rooted in Islamic identity and anti-India rhetoric. In contrast, the Awami League (AL), under Sheikh Hasina, daughter of Sheikh Mujibur Rahman, upheld the principles of the 1971 Liberation War, emphasising secularism and promoting closer ties with India. BNP assumed power in 1991, maintaining its centre-right, nationalist, and anti-India stance. Despite the economic liberalisation (LPG reforms) in both India and Bangladesh, BNP sought to maintain a strategic distance from India. It also internationalised the Farakka Barrage dispute at the United Nations, portraying India as a regional hegemon. This period witnessed

limited diplomatic engagement between the two nations. However, the return of the Awami League (AL) in 1996 under Sheikh Hasina marked a shift towards improved relations. The two countries signed the Ganges Water Sharing Treaty (1996). Additionally, bus services between Dhaka and Kolkata resumed, and plans for a train connection were initiated. India also offered tariff concessions to support Bangladesh's economy. However, the BNP-Jamaat-e-Islami (Jei) coalition regained power in 2001, leading to a sharp deterioration in India-Bangladesh relations. The BNP-led government provided safe havens for insurgent groups such as the United Liberation Front of Assam (ULFA) and other anti-India militants. Terrorist organisations like Lashkar-e-Taiba (LET) and Harkat-ul-Jihad-al-Islami (Huji) established operational bases in Bangladesh. India accused the BNP government of harbouring jihadist networks allegedly backed by Al-Qaeda, Pakistan's ISI, and Bangladesh's intelligence services. These developments led to heightened security concerns and strained diplomatic ties. Thus, multi-party democracy in Bangladesh did not guarantee stable India-Bangladesh relations. Instead, bilateral ties oscillated between hostility and cooperation, depending on the ruling party.

Phase IV: India-Bangladesh Relations Under Sheikh Hasina (2009-2024)

The fourth phase of India-Bangladesh relations began with the return of the Awami League (AL) to power in 2009 under Sheikh Hasina. Her successive electoral victories in 2014 and 2019 ensured a long period of political stability, allowing Indo-Bangladesh relations to deepen and expand. Under Hasina's leadership, the bilateral relationship has evolved from a neighbourly dynamic to a strategic partnership.

Sheikh Hasina's government has consistently prioritised good relations with India. Regular bilateral visits and summits between

Indian and Bangladeshi leaders have facilitated diplomatic and economic agreements. Hasina's government has taken firm action against insurgents and groups like ULFA (United Liberation Front of Assam), ensuring they do not use Bangladesh as a base for operations against India. Bangladesh signed an extradition agreement with India in 2013 to facilitate the deportation of militants hiding in Bangladesh. Both countries signed the historic Land Boundary Agreement (LBA) in 2015. The Land Boundary Agreement (LBA) between India and Bangladesh successfully resolved the long-standing enclave issue that had persisted since the Radcliffe Commission's partition of 1947. Under the agreement, India transferred 111 enclaves (covering 15,000 hectares) to Bangladesh, while Bangladesh ceded 55 enclaves (covering 7,000 hectares) to India. A key feature of the agreement was granting citizens the choice to either retain their existing nationality or adopt the nationality of their new country. The LBA was ratified through India's 100th Constitutional Amendment in 2015, marking a significant step toward peaceful and cooperative border management between the two nations. Bangladesh has cooperated with India to tackle Islamic extremism, particularly after the 2016 Holey Artisan Bakery attack in Dhaka. In the Hasina regime, India has become one of Bangladesh's largest trading partners, and trade volumes have grown significantly. Development of rail, road, and port connectivity has strengthened economic linkages. The revival of old railway routes and bus services has enhanced cross-border mobility. Under Sheikh Hasina's leadership, India-Bangladesh relations have reached new heights, with a strong focus on economic integration, security collaboration, and diplomatic cooperation. While issues like the Teesta water-sharing dispute persist, the overall trajectory of bilateral ties remains positive and forward-looking.

Phase V: Recent Developments under the Interim Government led by Md Yunus

The departure of former Prime Minister Sheikh Hasina in August 2024 as a result of the student movement marked a significant turning point in India-Bangladesh relations. The ensuing interim government, led by Nobel laureate Muhammad Yunus, has introduced both challenges and shifts in the bilateral dynamics between the two nations. India's decision to provide refuge to the ousted Hasina has been a point of contention. The Bangladeshi government expressed unease over Hasina's presence in India, suggesting it could exacerbate tensions between the two countries. India has voiced apprehensions regarding the safety of minorities in Bangladesh amidst the political upheaval. New Delhi emphasised the importance of maintaining communal harmony and expressed its desire to work constructively with the interim government. Reports indicate that Bangladesh is strengthening ties with Pakistan, including potential military cooperation. Given the historical context and strategic implications, this shift has raised concerns in India. Bangladesh's efforts to diversify its foreign relations, including engagements with China and Pakistan, suggest a move towards an assertive approach. Thus, the post-Hasina era under the interim government has introduced complexities in India-Bangladesh relations. While both nations have expressed a desire to maintain constructive ties, evolving political dynamics and shifts in foreign policy present challenges that require careful navigation to ensure regional stability and cooperation.

CHECK YOUR PROGRESS

Q. How have India-Bangladesh relations changed since the coming of the Yunus administration?

SELF ASKING QUESTION

Q. Do you think India-Bangladesh relations are influenced by the domestic factors of Bangladesh? Explain your answer.

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3.6 Convergence in Relations

Being neighbours and emerging economies of South Asia, both countries need each other for their development. There are lots of convergences in relationships, which are,

Economic Cooperation:

As Bangladesh's largest trading partner in South Asia and its second-largest globally, India plays a crucial role in its economic landscape. The total trade turnover in FY24 between the two countries touched US\$ 12.90 billion. India's exports to Bangladesh stood at US\$ 11.06 billion in FY24, and India's imports from Bangladesh stood at US\$ 1.8 billion in FY24. Since 2011, India has provided duty-free, quota-free access to Bangladesh on nearly all products under SAFTA. The establishment of six border haats has enhanced local trade, benefiting communities on both sides. Notably, the 2023 agreement to settle trade transactions in local currencies marks a significant step toward reducing dependence on foreign exchange. The proposed Comprehensive Economic Partnership Agreement (CEPA) is also expected to expand economic collaboration. However, challenges such as trade asymmetry, non-tariff barriers, and inadequate infrastructure persist, requiring policy interventions for smoother trade facilitation. The regime change in Bangladesh and the subsequent diplomatic spat in India-Bangladesh relations are affecting the economic cooperation. India's new import

rules sharply limit Bangladesh's access through Northeast land ports, forcing key goods onto restricted sea routes. The move comes after Bangladesh imposed similar restrictions on Indian goods. Despite these hurdles, sectors like cotton, pharmaceuticals, and agriculture hold immense potential for deeper economic engagement.

Sharing of River Waters:

India and Bangladesh share 54 transboundary rivers, making water-sharing a crucial aspect of their bilateral relations. Given Bangladesh's geographical position as a lower riparian country, the equitable distribution of river waters has been a recurring issue in diplomatic engagements. The landmark Ganga Waters Treaty was signed on December 12, 1996, between Prime Minister Sheikh Hasina and Indian Prime Minister H.D. Deve Gowda. The treaty, valid for 30 years, ensures the fair distribution of Ganga waters during the lean season. In recent years, both countries have continued efforts to cooperate on water-sharing. The Kushiya Pact, signed in 2022, aims to benefit people in southern Assam (India) and the Sylhet region (Bangladesh) by allowing the withdrawal of 153 cusecs of water from the Kushiya River. Additionally, India and Bangladesh have agreed to enhance data-sharing mechanisms and work toward a water-sharing deal for six more rivers—Manu, Muhuri, Khowai, Gumti, Dharla, and Dudhkumar.

Connectivity:

Connectivity can enhance trade, economic growth, and regional integration. Bangladesh serves as India's gateway to its Northeastern states and Southeast Asia. There are several operational rail

connections between the two countries, such as Maitree Express, Bandhan Express, and Mithali Express. The Agartala-Akhaura rail project is the first direct railway connection between Northeast India and Bangladesh. Road transport has also played a pivotal role in fostering connectivity. The Kolkata–Dhaka Bus Service (1999) and Dhaka–Agartala Bus Service (2001) have facilitated smooth cross-border movement. Additionally, India’s use of Bangladeshi ports for transit to its Northeast has been mutually beneficial. It allows Bangladesh to gain from port traffic while easing India’s logistical challenges. The BBIN (Bangladesh, Bhutan, India, Nepal) Motor Vehicles Agreement is another significant initiative aimed at boosting regional transportation by enabling seamless movement of cargo and passenger vehicles. However, Bhutan has yet to ratify the agreement.

Power and Energy Sector Cooperation:

Energy sector cooperation between India and Bangladesh has also seen considerable progress in the last few years. The India-Bangladesh Friendship Pipeline, inaugurated in 2023, facilitates the transportation of diesel from Siliguri in India to Parbatipur in Bangladesh. India and Bangladesh have also signed the Framework of Understanding (FOU) on Cooperation in the Hydrocarbon Sector. Currently, Bangladesh imports 116 MW of energy from India. Joint Working Group (JWG) / Joint Steering Committee (JSC) have been established to provide an institutional framework to provide bilateral cooperation in cross-border trade of electricity. Both countries cooperate in the Maitree Super Thermal Power Project, a 1,320 MW coal-fired power station in Rampal, Bangladesh. In a pioneering move towards regional energy integration, India facilitated the first trilateral power transaction in October 2023, enabling Nepal to export up to 40 MW of hydropower to Bangladesh through Indian transmission lines.

People-to-People Relations:

The well-established connectivity between the two countries, through rail, road, and air routes, further facilitates tourism. This connectivity is making India more convenient for many Bangladeshi visitors to travel for healthcare, education, and leisure. Due to recent political turmoil, India has temporarily restricted visa services, which have resumed. Additionally, cultural and historical ties between the two nations encourage pilgrimage tourism, with destinations like Ajmer Sharif, Varanasi, and Kolkata being popular among Bangladeshi travellers. Strengthening tourism infrastructure and promoting people-to-people exchanges remain vital to deepening bilateral ties and fostering goodwill between India and Bangladesh.

Cooperation in Regional Forums:

India and Bangladesh actively collaborate in various regional and multilateral forums, and are committed to regional development and economic growth. Both countries are common members of the South Asian Association for Regional Cooperation (SAARC), the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), and the Indian Ocean Rim Association (IORA). During the COVID-19 pandemic, India and Bangladesh demonstrated strong regional solidarity by contributing to the SAARC Emergency Response Fund. This fund aimed to counter the effects of the global health crisis in South Asia. In BIMSTEC, both nations are working on strengthening connectivity, trade, and energy cooperation to boost regional economic integration. Similarly, through IORA, they are engaged in maritime security, blue economy initiatives, and disaster risk management in the Indian Ocean region. Beyond regional cooperation, India and Bangladesh support each other on global platforms. Bangladesh has backed India's bid for a permanent seat in the United Nations Security Council (UNSC), and

both nations are committed to achieving the Sustainable Development Goals (SDGs).

CHECK YOUR PROGRESS

Q. What are the convergent points in India-Bangladesh relations?

3.7 Contentious issues in the India-Bangladesh Relationship

Despite strong cooperation in the aforementioned areas, several issues continue to challenge their bilateral relationship.

Teesta River Water Dispute:

The Teesta River dispute remains a significant and unresolved issue in India-Bangladesh relations. The dispute primarily revolves around the fair allocation of Teesta's waters. The Teesta River originates in India and flows through Sikkim and West Bengal before entering Bangladesh, where it finally merges with the Brahmaputra River. Several North Bengal districts in West Bengal rely on the Teesta for irrigation and drinking water. Bangladesh's Rangpur region, a key paddy-growing area, depends on it for irrigation. Bangladesh argues that it does not receive a fair share of the water, leading to droughts in the dry season and floods in the monsoon due to unregulated water flow. In 2011, during Prime Minister Manmohan Singh's tenure, a draft agreement proposed that Bangladesh receive 37.5% of Teesta's waters, while India retained 42.5%. However, Mamata Banerjee, CM of West Bengal, withdrew her support, citing the potential damage to North Bengal's agriculture. A major point of contention in dispute is India's Gajoldoba Barrage in West Bengal. This barrage diverts 85% of Teesta's waters for Indian use. India, particularly Sikkim, has built at least 26 hydropower projects. These projects reduce the natural

water availability downstream, exacerbating the crisis. Bangladesh sees India's reluctance to resolve the issue as a breach of trust, affecting overall diplomatic relations. Given the China factor, with Beijing offering assistance to Bangladesh in water management, India's failure to address the dispute could push Dhaka closer to China, a strategic concern for New Delhi.

Border Security:

Border security remains a critical issue in India-Bangladesh relations. This often leads to tensions, violence, and diplomatic strains. Despite efforts to improve cooperation, incidents involving border shootings, illegal migration, and smuggling have fuelled mistrust between the two nations. The Border Security Force (BSF) of India has taken a strict approach against traffickers and illegal migrants, leading to fatal encounters along the border. These incidents have sparked public outrage in Bangladesh, leading to retaliatory actions by the Bangladesh Rifles (BGB), including unprovoked attacks on Indian BSF personnel. The situation is further complicated by allegations of religious indoctrination and ISI's influence on sections of the Bangladeshi military, raising concerns about cross-border extremism. India and Bangladesh have enhanced border cooperation through joint patrols, intelligence sharing, and diplomatic engagements.

Illegal Migration Issue:

Illegal migration from Bangladesh to India has been a persistent challenge. This influx has led to significant socio-economic, political, and security concerns for India, particularly in states bordering Bangladesh. Since 1971, an estimated 12 million Bangladeshis have illegally migrated to the northeastern states of

India. This migration includes both Hindu refugees, allegedly escaping religious persecution, and Muslim economic migrants seeking better livelihood opportunities. To tackle illegal migration, India initiated the National Register of Citizens (NRC) in Assam, aiming to identify and deter future illegal entrants. However, Bangladesh expressed concerns over its implications, fearing the deportation of undocumented Bangladeshis. Additionally, the Citizenship (Amendment) Act (CAA), which expedites Indian citizenship for persecuted minorities from Bangladesh, Pakistan, and Afghanistan, has also drawn criticism from Bangladesh, which argues it has cross-border ramifications. Northeast India, a region overburdened by this illegal immigration, also opposes the CAA as it aims to give citizenship to illegal immigrants in the name of safeguarding persecuted minorities. While India views NRC and CAA as internal matters, Bangladesh sees them as policies with regional consequences.

Smuggling& Trafficking:

The porous border facilitates the illegal movement of narcotics, humans, and wildlife, despite efforts by both nations to curb these activities. The border serves as a major route for smuggling drugs, often smuggled in both directions. Drug smuggling fuels organised crime, addiction, and security concerns, affecting youth and law enforcement efforts in both nations. Human trafficking, especially of women and children, is a major concern. Victims are often lured under pretences and trafficked for forced labour as well as sex trafficking. Both nations have signed agreements to combat trafficking, but enforcement remains a challenge due to corruption and a lack of cooperation. The border is also a hub for poaching and smuggling of rare animals and birds, including Turtles, pangolins, and exotic birds for illegal trade.

Issue of Terrorism:

Terrorism remains a serious concern in India-Bangladesh relations. The cross-border terror networks, radicalisation, and insurgent groups are affecting security and diplomatic ties between the two countries. While Bangladesh has taken steps to combat extremism, the presence of terrorist outfits, Pakistani influence, and radical Islamist movements continues to pose a challenge. Pakistan's intelligence agency (ISI) has used Bangladeshi networks to fund and arm terror groups. Jamaat-ul-Mujahideen Bangladesh (JMB), a designated terror group by Bangladesh and India, is actively trying to expand its influence in India through Bangladesh. ISI has also supported Indian insurgent groups like ULFA and NSCN-IM, facilitating their contacts with Pakistani officials. ISIS gained traction in Bangladesh post-2014 through online propaganda. Attempts have been made to overthrow the Sheikh Hasina-led Awami League government through extremist networks several times. The Sheikh Hasina government has launched crackdowns on terror outfits, especially after the 2016 Dhaka attack. However, actions remain focused on Dhaka, with limited intervention in the northern regions where training camps are located.

Communal Violence:

Communal violence and religious identity-based discrimination have played a significant role in shaping India-Bangladesh relations. Bangladesh's total Hindu population has declined to around 9%, largely due to harassment, discrimination, and migration. Laws such as the Vested Property Act (VPA), previously called the Enemy Property Act, have contributed to the systematic dispossession of Hindu property. Hindus, Buddhists, and tribal groups in Bangladesh have historically been viewed as Indian sympathisers and often face exclusion and discrimination. This perception, rooted in Partition-

era rhetoric, leads to these communities being treated as outsiders rather than full citizens and often face targeted violence. India's special concern for the protection of Hindus and other minorities in Bangladesh complicates the bilateral relations. However, India is also being criticised by Bangladesh for its treatment of minority communities. The demolition of the Babri Masjid led to widespread anti-Hindu riots in Bangladesh, resulting in attacks on temples and Hindu-owned properties. Similarly, the 2002 Gujarat riots intensified communal rhetoric, with Islamist groups in Bangladesh using the violence as a pretext for anti-India mobilisation. These incidents reinforced the perception of India as a Hindu-majority nation and Bangladesh as a Muslim-majority nation, deepening the religious divide and affecting policy decisions. In Bangladesh, the Bangladesh Nationalist Party (BNP) and Jamaat-e-Islami (JeI) often leveraged anti-India sentiments, linking them to the perceived marginalisation of Muslims in India. Conversely, in India, right-wing groups highlighted attacks on Hindus in Bangladesh to justify hardline policies. This cycle of religiously charged politics made it difficult to establish long-term diplomatic trust.

China's Growing Influence in Bangladesh:

China's growing economic and strategic influence in Bangladesh has become a key factor in India-Bangladesh relations. While Bangladesh maintains close ties with India, its increasing dependence on China for infrastructure, energy, and defence cooperation raises security concerns for India. China has funded over 25 energy projects in Bangladesh, including the country's second nuclear power plant. China's commitment to continue zero-tariff treatment for 98 per cent of Bangladeshi goods beyond 2026, support for Bangladesh's development initiatives, and encouraging Chinese investments in various sectors indicate an intensifying

economic relationship. It has also contributed to the Bangabandhu communication satellite project to strengthen Bangladesh's technological capabilities. Several port development projects, potentially enhancing China's regional maritime influence, are underway. Bangladesh has joined China's One Belt One Road initiative and secured investment, but also raised concerns about economic dependency and debt risks. India worries that BRI could increase China's strategic footprint in South Asia, affecting regional stability. China's proximity to Bangladesh and deepening ties raise geopolitical and security challenges for India, especially in the Bay of Bengal and north-eastern border areas.

CHECK YOUR PROGRESS

Q. What are the issues in India-Bangladesh relations?

3.8 Summing Up

This chapter shows that India and Bangladesh share a complex and interwoven relationship shaped by historical, domestic, and geopolitical factors. Despite their shared history and close geography offer opportunities for strong cooperation, domestic tensions and strategic concerns still affect their relationship. India's support in Bangladesh's independence, along with their mutual dependence on each other for connectivity and security, highlights the importance of keeping a stable and positive relationship. India-Bangladesh relations have evolved through distinct phases shaped by Bangladesh's internal political transitions. The Mujib era (1971-1975) saw strong bilateral ties based on shared history and India's role in Bangladesh's independence, though tensions emerged over issues like the Farakka Barrage. The subsequent military rule (1975-1990) distanced Bangladesh from India, emphasising Islamic

identity and fostering closer ties with Pakistan and China. The return of multi-party democracy (1991-2009) brought fluctuating relations, with the Awami League fostering cooperation while the BNP pursued a nationalist, anti-India stance. Under Sheikh Hasina (2009-2024), India-Bangladesh relations deepened with economic, security, and diplomatic cooperation, marked by the Land Boundary Agreement and counterterrorism efforts. However, the post-Hasina period under the interim government of Muhammad Yunus signals potential shifts, with Bangladesh strengthening ties with Pakistan and China, raising concerns in India. While both nations have made significant strides in trade, connectivity, and security collaboration, persistent challenges such as border disputes, migration, and geopolitical shifts continue to test their partnership. The evolving political landscape, particularly Bangladesh's growing engagements with China and Pakistan, adds further uncertainty to future relations. However, sustained dialogue and cooperative efforts remain crucial for ensuring regional stability, economic growth, and a mutually beneficial partnership.

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UNIT: 4
INDIA AND NEPAL

Unit Structure:

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- 4.2 Objectives
- 4.3 Historical Background of India-Nepal relations
- 4.4 India-Nepal Relation in Modern Time
 - 4.4.1 Monarchical Nepal and Indian Influence (1950s–1980s)
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- 4.6 Summing Up
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4.1 Introduction

India and Nepal are two prominent states of South Asia who share geographical boundaries and are hence considered as close neighbours. Lying along the southern slopes of the Himalayan mountain range Nepal is a Hindu dominated country which is landlocked between India to the South and West and China to the North.

According to the constitution, Nepal is a constitutional monarchy with a parliamentary form of government that is multiethnic, multilingual, Hindu, and retains the king in the role of head of state.

Being close neighbours India and Nepal share a close historical, economic and cultural relations. Their relation is characterized by an open border and deep-rooted people-to-people contacts of kinship and culture.

This chapter is an effort to understand this relations from a multi dimensional perspective.

4.2 Objectives

India and Nepal shares close cultural ties. After reading this unit you will be able to

- *understand* the historical and contemporary relations between India and Nepal;
- *analyse* the areas of conflict between the two countries.

4.3 Historical Background of Inda-Nepal relations

The historical relationship between India and Nepal is long and complex, dating back thousands of years to ancient times. Socially, culturally and by way of religion, there are many commonalities between India and Nepal. As mentioned in the ancient Indian epic, Ramayana, Lord Rama of Ayodhya was married to Goddess Sita of Janakpur. Kirats were an important part of the Pandav Army in the battle of Kurukshetra in Mahabharata. During 6th Century BC, Magadh and Shakya Republics occupied territories on both sides of the current Indo-Nepal border. Prince Siddhartha or Gautam Buddhawas born in 566 BC in Lumbini near Kapilvastu, the capital of Shakya rulers which is now in Nepal. He attained Nirvana in

Sarnath near Varanasi, a city whose connection with Nepal is as old as history. Some of the rarest texts of Skandpurana are preserved in Nepal, palm leaf manuscripts dated AD 810 that are available in Kathmandu. Kashi has been the centre for Nepali pilgrims, priests and at one time, even the exiles as is Pashupatinath for the Shaivites.

During the British colonial era, India and Nepal had a complex relationship characterized by both conflict and cooperation. While Nepal was not directly colonized like India, the British East India Company and later the British Crown exerted significant influence through treaties and military campaigns, notably the Anglo-Nepalese War. This influence shaped the relationship, impacting trade, military recruitment, and the eventual formation of the India-Nepal border. The key aspects of the Colonial Era Relationship were the Anglo-Nepalese War (1814-1816) which resulted in Nepal's defeat and signing of the Treaty of Sugauli (1816) between the two parties that established the boundary between British India and Nepal, and while it recognized Nepal's independence, it also placed Nepal under British influence.

Moreover, the Britishers also recruited Nepalis especially the Gurkha tribe into its military, a practice which is till date being continued by India.

4.4 India-Nepal Relation in Modern Time

India-Nepal Treaty of Peace and Friendship of 1950 forms the bedrock of the special relations that exist between India and Nepal. India upholds Nepal as an important ally under its neighbourhood first policy. The 1950 Treaty of Peace and Friendship between India and Nepal, signed on July 31, 1950, in Kathmandu, laid the foundation for post-independence relations between the two

nations. It recognized the "ancient ties" and established a framework for cooperation, including provisions for free movement, residence, and trade for citizens of both countries. In the 1950s, the rulers of the Rana Kingdom of Nepal welcomed close relations with newly independent India, fearing the overthrow of Chinese-backed communists. autocratic power after the success of the Chinese Communist Revolution and the establishment of the CCP government on 1 October 1949. However, Rana power in Nepal collapsed within three months of the signing of the 1950 Indo-Nepal Peace and Friendship Treaty and was replaced by the 1950 Indo-Nepal Peace and Friendship Treaty. the only professional. -Modern Indian Party - Nepali Congress.

The treaty increased India's influence over Nepal which was followed by the passing of the Nepalese Citizenship Act of 1952 that gave Indians the right to immigrate to Nepal and obtain Nepalese citizenship without difficulty.

4.4.1 Monarchical Nepal and Indian Influence (1950s–1980s)

During the mid-20th century, Nepal was under the autocratic rule of the Rana dynasty, which maintained close ties with British India. After the end of the Rana regime in 1951, King Tribhuvan sought Indian support to restore his position, leading to a strengthened relationship between the two nations. However, as Nepal transitioned towards a constitutional monarchy, there was growing resentment over India's perceived interference in Nepalese affairs. This period saw Nepal asserting its independence, including challenging India's dominance in regional security matters.

4.4.2 The Panchayat Era and Strained Relations (1961–1990)

From 1961 to 1990, Nepal was under the Panchayat system, a partyless autocracy established by King Mahendra. During this period, Nepal pursued a policy of non-alignment and sought to distance itself from Indian influence. The relationship was further strained in the 1980s when Nepal proposed to be recognized as a 'Zone of Peace,' a move that India viewed with suspicion. The culmination of these tensions was the 1989 trade and transit dispute, where Nepal refused to renew trade treaties with India, leading to a blockade that lasted until 1990.

4.4.3 Democratization and Renewed Engagement (1990s–2000s)

The 1990 People's Movement (Jana Andolan) led to the end of the Panchayat system and the restoration of multiparty democracy in Nepal. This democratization opened avenues for improved relations with India. The two countries engaged in various cooperative initiatives, including trade agreements, infrastructure projects, and cultural exchanges. However, underlying issues such as the 1950 treaty and border disputes remained points of contention.

Economic Relation:

Economic relations between India and Nepal have long historical roots. The Treaty of Peace and Friendship signed between India and Nepal in 1950 and the Agreement on Trade and Transition signed in 1960 and other bilateral agreements played an important role in promoting trade and institutionalizing a visible part of economic relations. Driven by mutual interests, India signed peace and trade agreements with Nepal, giving Nepal landlocked access to global markets for its exports. Both countries are associated with regional entities such as the South Asian Association for Regional

Cooperation (SAARC) and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC). These organizations actively promote economic integration and cooperation in South Asia and the wider regional context.

4.4.4. Trade and Investment:

Indian companies are among the largest investors in Nepal, representing 33.5% of the total foreign direct investment (FDI) stock, valued at nearly USD 670 million. Nepal has become India's 17th largest export destination, up from the 28th position in 2014. India accounts for 64.1% of Nepal's total trade, amounting to approximately USD 8.85 billion (Indian FY 22-23). This includes USD 8.015 billion in exports from India to Nepal and USD 839.62 million in exports from Nepal to India. India is the primary destination for Nepal's exports, receiving 67.9% of the total, with Nepal primarily exporting edible oil, coffee, tea, and jute. The main imports from India include petroleum products, iron and steel, cereals, vehicles and parts, and machinery components. Both countries have an open border and trade is governed by a bilateral trade agreement. The Nepal-India Transit Agreement (1999), the Trade Agreement (2009), the Cooperation Agreement to Combat Illegal Trade (2009) and the Railway Services Agreement (2004) together lay the foundation for a bilateral trade and transit regulatory framework between two countries. According to the Trade Agreement (2009), products produced in Nepal have duty-free access to the Indian market on a non-reciprocal basis. The India-Nepal Cooperation Agreement to Combat Illegal Trade, signed in 2009, provides a legal framework to combat illegal trade. The India-Nepal Transit Agreement, which is renewed every seven years, provides port facilities for Nepal at Kolkata/Haldia and

Visakhapatnam and specifies various transit routes between Kolkata and Visakhapatnam and the Indo-Nepal border.

4.4.5 Infrastructure and Connectivity:

India is the largest developmental donor of Nepal, with the major portion of developmental assistance focussed on large scale infrastructure projects under grants, necessary for the rapid development of Nepal, in the field of priority sectors such as health, education and connectivity. India has a long history of development cooperation commencing from 1950s onwards. Some of the major projects undertaken and completed with the Government of India grant assistance includes, Gauchar Airport (presently Tribhuvan Airport), East West Highway. Nepal Bharat Maitri Emergency & Trauma Centre (INR 100 Cr). Development projects between the two countries have received significant importance like in order to receive a steady supply of fuel from India to Nepal, the first cross-border petroleum pipeline in South Asia, linking Motihari in India to Amlekhgunj in Nepal, was completed in 2019. This pipeline quickly proved beneficial, saving Nepal approximately Rs 9 crores monthly and setting a record by delivering 100 million liters of diesel in a single month in December 2020. The Indian Government has also given financial assistance for development of rural infrastructures in Nepal like building of schools and hospitals under High Impact Community Development Projects.

Hydropower is an important area of economic cooperation. Indian companies have been involved in the development of hydropower projects in Nepal with the aim of tapping into its vast hydropower potential and meeting its energy needs. India, Nepal, and Bangladesh are working on a tripartite power trade deal under which Nepal will supply up to 500 megawatts (MW) of hydropower to

Bangladesh using India's transmission line, a move that can further boost cross-border electricity trading in South Asia. Nepal and India inked an agreement, setting the target to reach 10,000 megawatts of electricity exported to India in the coming decade.

4.4.6 Security Co-operations

India and Nepal have extensive defense cooperation. India has assisted the Nepal Army (NA) in its modernization with equipment and training. Disaster relief, joint military exercises, adventure activities, and bilateral visits are also aspects of India-Nepal defense cooperation. Some of the defense forces of the Nepalese army undergo training in various educational institutions of the Indian army like in National Defence Academy and Sardar Vallabh bhai Patel Police Academy. Since 1950, India and Nepal have transferred the rank of general to the army chiefs of each other as recognition of the harmonious relationship between the two armies. Gorkha regiments of the Indian Army are raised partly through recruitment from the hilly regions of Nepal.

SELF ASKING QUESTION:

How can India and Nepal work together towards regional stability and Security? (60 words)

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4.5 Major Challenges in India–Nepal Relations

Like any bilateral relations, India-Nepal relations too are marred with multiple contentious issues. The major challenges between

India and Nepal emerge from two fronts: the internal politics of Nepal, and a resurgent China with its ever-expanding South Asian strategic profile.

4.5.1 The Madhesi Issue

In 2015, Nepal adopted a new Constitution, replacing the interim Constitution of 2007. The provisions of the new Constitution created widespread resentment among Madhesis. Madhesis are an ethnic group, living in the central and eastern Region of Nepal. Owing to geographical contiguity, they have linguistic, religious, cultural, and matrimonial links with India.

Madhesis accused that the new Constitution failed to grant them adequate representation in the Parliament. Therefore, they held a blockade along the open border with India causing disruptions in supply of food and fuel. This five-month long blockade right after a devastating earthquake unleashed a havoc for the local populations. This further flamed anti-India sentiments as it was perceived that the blockade had the tacit support of India.

Later, the Nepal's Constituent Assembly introduced few amendments. But for the protestors these amendments were insufficient. Nonetheless, the blockade was finally called off in 2016 when it was announced that the then Nepalese PM Oli will visit India to discuss the matter. The visit was successful in rebuilding mutual trust. Upon his return to Kathmandu, PM Oli held that he tried to clear the 'misconception' regarding the new Constitution. Meanwhile India described the two amendments as 'positive developments.'

Meanwhile, since the Chinese Communist Party consolidated its hold in Tibet and offered assurances to Nepal, Kathmandu's balancing impulses are back in play.

Anti-India sentiments is sometimes flamed for political benefits in Nepal. For example, the surfacing of Kalapani issue was seen as an attempt by the then Oli government in Nepal to divert people's attention from the ongoing political crisis there.

4.5.2 Border Dispute with Nepal (Kalapani Dispute)

After the abrogation of article 370 in Kashmir, the Indian government issued a map showing the changed political map of Kashmir. Nepal raised objection to this new map, accusing India of portraying certain regions of Nepal as Indian territory. They claimed that the strategically important areas of Kalapni, Lipulekh and Limpiadhura were part of Nepal. On June, 2020, the parliament of Nepal voted unanimously to amend the Constitution to redraw country's new political map. Meanwhile, in 2020, India had inaugurated new road to Mansarovar from Kalapani region to cut short the time and distance through Lipulekh pass.

The issue flamed anti-India sentiments in Nepal. It was suspected that apart from political crisis at home, there were external forces behind Nepal's actions. All these happened when India and China were facing a border standoff. Also, the new road to Mansarovar was not built overnight and the Nepal government was aware and monitoring the situation in Kalapani region over the preceding years.

However, later the government changed in Nepal and a new party came to power under the leadership of Pushp Kamal Dahal (Prachand). In 2022, the PM of India visited Nepal. Numerous memoranda of understanding were signed giving new boost to the India-Nepal relations.

STOP TO CONSIDER:

Democracy in Nepal:

Key Features of Democracy in Nepal

- Multi-party parliamentary system.
- Separation of powers among executive, legislature, and judiciary.
- Regular elections at federal, provincial, and local levels.
- Fundamental rights and freedoms are guaranteed.
- Proportional representation and affirmative action for women, Dalits, and marginalized communities.

Challenges to Democracy in Nepal

- Political Instability frequent changes in government; caused by-- power struggles.
- Corruption --- Widespread in public offices.
- Ethnic Tensions ---- Demands from Madhesi and Janajati groups for more inclusion.
- Weak Rule of Law --- Judicial independence is questioned at times.
- Implementation of provinces face financial and Federalism--- administrative difficulties.

4.5.3 Maoist Problem

The **Communist Party of Nepal (Maoist)**, led by Pushpa Kamal Dahal (Prachanda), launched a “People’s War” in 1996 with the goal of overthrowing the Nepalese monarchy and establishing a communist republic. The insurgency spread rapidly, exploiting rural discontent and political instability. By the early 2000s, the Maoists

controlled a significant portion of Nepalese territory, plunging the country into a civil war that claimed over 13,000 lives.

The insurgency period also saw China cautiously watching developments. Initially, China maintained a policy of non-interference and labeled the Maoists as "terrorists". However, Nepal's political instability presented an opportunity for China to expand its influence. India, long seen as Nepal's primary ally, was increasingly concerned about Nepal drifting into China's strategic orbit, especially during moments when Indo-Nepal relations were strained.

India's Naxalite insurgents often looked to the Nepali Maoists for inspiration and occasionally logistical support. While direct operational links between the groups were limited, there were ideological and tactical exchanges. Meetings of the Coordination Committee of Maoist Parties of South Asia (CCOMPOSA) suggested a broader Maoist solidarity across borders, which worried Indian intelligence agencies.

However, the Nepali Maoists' entry into parliamentary politics created a significant divergence from the Indian Naxalites, who rejected electoral democracy. Over time, the potential for cross-border Maoist unification diminished.

4.5.4 Sino-Nepal Nexus

The growing proximity of China towards Nepal signals a sign of caution for India. China has projected its power into Nepal because of its geo-strategic location. Beijing sees Nepal's economic and political vulnerability as being used by external powers, especially India, against the security of China by utilizing Nepal as a sanctuary for the Tibetan refugees and the US design to encircle China. China has been apprehensive about India's economic and political leverage

in Nepal since the Indian Independence in 1947. Since the abolition of the Monarchy in 2006 and the transformation of Nepal into the Democratic Republic in 2008, China has intensified its efforts to expand its influence in Nepal.

CHECK YOUR PROGRESS:

Q.1: Discuss the major areas of Bilateral cooperation between Nepal and India

Q.2: Critically analyse the areas of contention between India and Nepal.

4.6 Summing Up

After reading this unit you have learnt that the political relationship between Nepal and India since 1950 has been marked by a dynamic interplay of cooperation and contention. While historical ties and shared cultural heritage have provided a foundation for collaboration, issues of sovereignty, border disputes, and geopolitical considerations have periodically strained relations. Moving forward, both nations face the challenge of balancing their national interests with the need for constructive engagement to ensure regional stability and mutual prosperity.

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UNIT: 5
INDIA AND SRI LANKA

Unit Structure:

- 5.1 Introduction
- 5.2 Objectives
- 5.3 Areas of Bilateral Relations between India and Sri Lanka
 - 5.3.1 Sectors of Conflict
 - 5.3.2 Fishermen's Issue
 - 5.3.4 Tamil Problem and Sri Lankan Civil War
 - 5.3.5 Indian Intervention in the Sri Lankan Civil War
 - 5.3.6 The Kacchativu Dispute
 - 5.3.7 China Factor
- 5.4 Areas of Cooperation:
- 5.5 Summing Up
- 5.6 Reference and Suggested Readings

5.1 Introduction

India and Sri Lanka have a shared history, culture and religion. The two are close neighbours whose roots stretch across centuries cemented by close civilizational bond. Sri Lanka has a central place in India's 'Neighbourhood First' policy and MAHASAGAR (Mutual and Holistic Advancement for Security and Growth Across Regions) vision. The bilateral relations between the two span across various sectors of historical as well as contemporary relevance.

Situated to the south of the Indian peninsula, Sri Lanka or erstwhile Ceylon is India's closest maritime neighbour whose marine boundary is just 30 nautical miles away from the Indian mainland.

Lying in the Indian Ocean South West of Bay of Bengal Sri Lanka is home to approximately 22 million people out of which Sinhalese form the majority followed by the Sri lankan Tamils in the second position who were brought to Sri Lanka by the British colonialists as labourers to work in coffee and tea plantation. The country though small compared to the geographical size of India is ethnically diverse and finds mention in ancient Indian Hindu mythological scripture i.e. Ramayana wherein Sri Lanka was named as Lanka and it was the abode of the demon king Ravana who was slain by Rama- an avatar of Lord Vishnu.

The country is also home to another major global religion i.e. Buddhism which is the state religion. Buddhism was introduced in the island country as early as Third Century BCE with the arrival of King Aśoka's son, the Arahant Mahinda, from India. According to the Sri Lankan chronicles, the king of Sri Lanka at the time, Devanāṃpiya Tissa, converted to Buddhism shortly after Mahinda's arrival. The king's patronage of Buddhism resulted in the construction of numerous Buddhist sites and centres of learning around the ancient capital of Anurādhapura, as well as in the formation of a very important relationship between Buddhism and the state.

Both countries apart from sharing common historical and cultural heritage also shared common colonial heritage. Both countries were colonised by the British and achieved independence subsequently. India achieved freedom in 1947 while Sri Lanka achieved in 1948. Both countries today are part of common international forums which reposit its close connection. India and Sri Lanka are members of UNO, SAARC as well as Commonwealth of Nations.

5.2 Objectives

India and Sri Lanka shares close cultural and economic relationship. We laa know that the two countries share a maritime border. After reading this unit you will be able to –

- *analyse* the trajectory of India-Sri Lanka Relation;
- *understand* the issues of contention and cooperation between the two countries.

5.3 Areas of Bilateral Relations between India and Sri Lanka:

5.3.1 Sectors of Conflict:

India and Sri Lanka occupy a strategic position in South Asia; further, their mutual security cooperation is needed for protection of their maritime interests in the Indian Ocean. Although both countries value the significance of one another in ensuring a peaceful neighbourhood by development of cordial and constructive relations yet the two counties have had its fair share of conflict and problems like:

5.3.2 Fishermen's Issue:

For centuries, Indian and Sri Lankan fishermen communities have been fishing in each other's waters without conflict. The scenario changed when India and Sri Lanka signed four Maritime Boundary Agreements between 1974-76, which defined their respective understanding of the international maritime boundary between the two countries.

The idea behind these agreements was that they'd facilitate law enforcement and resource management in the Palk Strait which is a

semi-enclosed shallow water body between the South east coast of India and Sri Lanka. Since then, Indian fishermen have only been allowed “access” to the island for resting, drying of nets and the annual St. Anthony’s festival, but not for fishing.

Despite the agreements, there is no well-defined maritime boundary between the two countries, leading to Indian fishermen trespassing into Sri Lankan waters in search of a better catch and their foray into Sri Lankan waters have led to recurrent arrests of Indian fishermen by Sri Lankan authorities or destruction of Indian fishing vessels by them. Indian fishermen demand historical fishing rights in the Indian Ocean despite the maritime agreement signed between the two countries.

STOP TO CONSIDER:

India Sri Lanka relationship during Covid 19 in the areas of health care

India and Sri Lanka shared a strong, cooperative relationship during the COVID-19 pandemic in the following areas

1. Vaccine Support: India gifted 500,000 doses of Covishield (AstraZeneca) vaccines to Sri Lanka in January 2021 under vaccine Maitri programme, making Sri Lanka one of the first countries to receive Indian-made vaccines. This helped Sri Lanka launch its national vaccination drive quickly.

2. Medical Supplies and Aid: when Sri Lanka faced a surge in COVID cases and oxygen shortages in 2021, India launched Operation Samudra Setu-II, delivering 100 tons of liquid oxygen via the Indian Navy.

3. Support to health infrastructure: India had earlier funded the Suwa Seriya ambulance service in Sri Lanka (since 2016). During

COVID-19, this service became crucial, transporting over 175,000 COVID patients and suspected cases. India also trained Sri Lankan medical staff and offered expertise through virtual meetings and workshops.

5.3.4 Tamil Problem and Sri Lankan Civil War:

Sri Lanka has been mired in ethnic conflict since the country became independent from British rule between the Sinhalese and the Sri Lankan Tamils. The Tamils comprise 18% of Sri Lanka's population and therefore are regarded as the largest minority group in Sri Lanka. They are the descendants of the Tamils of South India and share common cultural and religious links with them. The Britishers brought them from India for the purpose of labour and were favoured by the colonial masters. The Tamils are mostly concentrated in the northern part of Sri Lanka especially in the province of Jaffna. In the years following independence, the Sinhalese, who resented British favouritism toward Tamils during the colonial period, disenfranchised Tamil migrant plantation workers from India and made Sinhala the official language. The newly independent government led by Sinhalese introduced a number of legislations that sought to increase the power of Sinhalese majority over the Tamil minority such as the Ceylon Citizenship Act, which deliberately discriminated against the Indian Tamil ethnic minority by making it virtually impossible for them to obtain citizenship in the country. Approximately 700,000 Indian Tamils were made stateless. Over the next three decades, more than 300,000 Indian Tamils were deported back to India. It wasn't until 2003 – 55 years after independence – that all Indian Tamils living in Sri Lanka were granted citizenship, but, by this time, they only made up 5% of the island's population.

Such acts of marginalisation unfurled the demand of autonomy by the Tamils which got more pronounced in the form of demand for creation of a separate Tamil state out of Sri Lanka. The movement was led by a group called Liberation Tigers of Tamil Eelam(LTTE) helmed by Velupillai Prabhakaran founded in 1976. This was a militant group which was responsible for flaring up the Sri Lankan Civil War from 1983-2009. and the ethnic conflict between the Sinhalese and the Sri Lankan Tamils. The civil war saw rampant violation of human rights, killings and creation of displacement and refugee problem.

5.3.5 Indian Intervention in the Sri Lankan Civil War

In 1987, Rajiv Gandhi decided to intervene in the situation mainly because of separatism issues in Tamil Nadu and also to avoid the potential swarm of refugees from Sri Lanka to Indian shores, setting a new stage for the India-Sri Lanka relations

Indian Peacekeeping Force (IPKF) was sent to the island in the hope of bringing about peace. This move proved to be a terrible disaster. Instead of negotiating a settlement between both parties, the Indian troops ended up fighting the Eelam group. About 1200 Indian men died in the war. Rajiv Gandhi was also a victim of the LTTE when in 1991, he was assassinated by a human bomb at an election rally in Sriperumbudur in Tamil Nadu.

After the IPKF had withdrawn in 1990, the fighting continued more intensely. Sri Lankan President Premadasa was also killed by the LTTE in 1993 in a human bomb. The LTTE, at its height, was a full-fledged militia with even an air force of its own. It employed women and even children in their activities. The war went on with numerous counts of atrocities and brutalities perpetrated by both

sides. The civilians also suffered terribly. Lakhs of people were displaced in the protracted war.

A ceasefire was declared a few times by the LTTE, only to resume fighting later. Peace talks were also held with the intervention of international actors, particularly Norway. Nothing came to any avail. The war subsided with the killing of LTTE chief in 2009.

5.3.6 The Kacchativu Dispute:

A territorial dispute arose in regard to the ownership of a one square mile uninhabited island, called Kacchatiw, off the Jaffna coast in the Palk straits. Pilgrims from both India and Sri Lanka used to go to Kacchativu Island every year in the month of March during the four-day St. Anthony's festival for worship at the local Roman Catholic Church. India protested over the presence of Sri Lankan police during the festival in 1968. This caused conflict. Both India and Sri Lanka were keen to avoid a serious situation. The Prime Ministers of India and Sri Lanka met twice and pending a final decision on the issue of island's title, resolved to maintain status quo in and around the island. Neither India nor Sri Lanka would send its policemen in uniform or custom officials, or resort to aerial reconnaissance or naval patrolling of adjacent waters during the St. Anthony's festival. Finally, through a comprehensive agreement India accepted Sri Lanka's ownership of the Kacchativu Island.

5.3.7 China Factor:

China has emerged as one of the important factors in India-Sri Lanka relations. China is Sri Lanka's largest foreign investor and lender. It has invested heavily in developing Sri Lankan infrastructure. The most talked about project is Hambantota port.

The first phase of the port was completed in 2010 by the China Harbour Engineering Co. Ltd at a cost of \$360 million. It includes a high-quality passenger terminal, cargo handling, warehousing, bunkering, provisioning, maintenance and repair, medical supplies and customs clearing facilities. Colombo tries to project that “the Chinese interest in the Hambantota port is purely commercial.” However, the harbour is strategically located not only for the Chinese merchant vessels and cargo carriers sailing to and from Africa and the Middle East to make a stopover, but can also be used by any military fleet. As far as economic engagement is concerned, the volume of trade between China and Sri Lanka reached 3.76 billion USD in 2023. Such growing proximity of the two countries marks a caution for India as both India and China are major competitors in trade and commerce in South Asia.

SELF ASKING QUESTION:

How come India and Sri Lanka work together to overcome the challenges in their relationship? (Write in 60 words)

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5.4 Areas of Cooperation

Trade and Commerce:

India has traditionally been among Sri Lanka’s largest trade partners. India-Sri Lanka Free Trade Agreement (ISFTA) in 2000 contributed significantly towards the expansion of trade between the two countries. Sri Lanka is one of India’s largest trading partners among the SAARC countries. India, in turn, is Sri Lanka’s largest trade partner globally.

The merchandise trade between India and Sri Lanka amounted to USD 5.54 billion in FY 2023-24, with India's exports at USD 4.11 billion and Sri Lanka's exports at USD 1.42 billion. In the current FY 2024-25 for the period April-November, the bilateral trade is USD 3.67 billion, with India's exports to Sri Lanka is USD 2.84 billion. India has also resumed negotiations with Sri Lanka for finalization of the Economic and Technology Cooperation Agreement (ETCA) covering both goods and services. The negotiations resumed after 05 years in October 2023, with the latest (14th) round of talks in July 2024. Moreover, India is also one of the largest contributors to Foreign Direct Investment (FDI) in Sri Lanka with cumulative investment of USD 2.25 billion till 2023, with USD 198.1 million in 2023 alone (source: Central Bank of Sri Lanka). The FDI from India for the period Jan-Sep 2024 was USD 80.55 million (as per initial figures of BoI, Sri Lanka). The main investments from India are in the areas of energy, hospitality, real estate, manufacturing, telecommunication, banking and financial services. Sri Lanka was the first country to sign a free trade agreement with India in 1998. The free trade agreement benefitted Sri Lanka in terms of rise in exports to India and higher Indian investment in Sri Lanka. Major exports from India to Sri Lanka include motor vehicles, mineral fuels and oils, cotton, pharmaceutical products, plastic articles, iron and steel, chemicals, cement, sugar etc. Major imports from Sri Lanka to India includes processed meat products, poultry feed, insulated wires and cables, bottle coolers, apparel, pneumatic tires, tiles and ceramics products, rubber gloves, electrical panel boards and enclosures, machinery parts, food preparations and spices, furniture, MDF boards, glass bottles, etc.

Mutual Support at International Forums:

India has extended support to Sri Lanka's application to become a member of BRICS. Similarly, Sri Lanka has also extended its support to India's candidature for a non-permanent seat on the UN Security Council for 2028-29.

Cultural Relations:

Buddhism is one of the strong pillars connecting both nations. Both countries jointly commemorated the 2600th year of Buddha's enlightenment. Other initiatives were also taken like the Cultural Cooperation Agreement signed which was signed in 1977 forms the basis for periodic Cultural Exchange Programmes between the two countries. Moreover, the Indian Cultural Centre in Colombo actively promotes awareness of Indian culture by offering classes in Indian music, dance, and Hindi. It also organizes the International Yoga Day event annually.

India-Sri Lanka Foundation was set up in 1998 to enhance scientific, technical, educational, and cultural cooperation through civil society exchanges

Development Cooperation:

India's development cooperation with Sri Lanka stands out as one of the most important pillars of the two countries bilateral relation. India's overall credit assistance to Sri Lanka amounts to over USD 7 billion, including concessional loans, deferment of payment & swap agreements. India's grant assistance to Sri Lanka currently stands at around USD 780 million, which includes completed projects worth USD 390 million, ongoing projects worth over USD 210 million, and another USD 178 million worth of projects in the pipeline. India now offers around 700 scholarship slots annually to Sri Lankan students. In addition, under the Indian Technical and Economic Cooperation (ITEC) Program, India offers 400 fully-funded slots

every year to officials in various Ministries of Government of Sri Lanka and also to other eligible citizens for short term training programs.

Indian institutes under 'Study in India' Program provide technical expertise across a diverse range of courses, and include programs in niche disciplines such as Ayurveda, Yoga, and Buddhist Studies. Under India-Sri Lanka government agreement, Sri Lankan students can also appear for National Eligibility cum Entrance Test (NEET), IIT JEE, GATE entrance examinations and study in Indian under respective courses. Apart from this, India is also extending grant assistance of INR 300 crore towards implementing Sri Lanka Unique Digital Identity project. Some of the other prominent projects include Cultural Center at Jaffna; upgradation of Northern Railway line and track-laying; island-wide 'SuwaSeriya' Emergency Ambulance Service; construction of multi-specialty hospital at Dickoya; construction of a new surgical unit at Teaching Hospital Batticaloa; restoration of Thiruketheeswaram Temple at Mannar; developmental projects focusing on Indian Origin Tamils and project for solar electrification of Buddhist places of worship.

Defence& Security Cooperation:

India and Sri Lanka enjoy strong defence relationship guided by commonality of security concerns and challenges. Defence cooperation with Sri Lanka encompasses training, joint exercises, supply of military equipment, high level bilateral visits, bilateral goodwill visits by Navy and Coast Guard ships. Annual Defence Dialogue is held between the Defence Secretaries every year to review and add momentum to bilateral defence cooperation. India continues to be the largest provider of foreign training assistance to Sri Lankan Armed Forces. Besides the bilateral SLINEX (Naval Exercise) and MITRA SHAKTI (Army Exercise) held every year alternatively in India & Sri Lanka, Sri Lanka participates in MILAN

the multilateral naval exercise hosted by the Indian Navy. High level visits/ Service to Service staff talks between Indian and Sri Lankan Armed Force are conducted periodically. Since 2018, Reciprocal cultural visits between Indian and Sri Lankan Armed forces have been a regular feature. In addition, India has been 'first responder' for Sri Lanka with Indian Navy and Indian Coast Guard having intervened in Sri Lankan waters to avert large scale environmental damage apart from cooperating on counter terrorism policies.

Political Exchanges:

Since the establishment of diplomatic relation between India and Sri Lanka since 1948 there has been high level ministerial and diplomatic exchanges between the two countries time and again. The current Indian Prime Minister Sri Narendra Modi visited Sri Lanka thrice since 2014 followed by the visit of the Indian Finance and External affairs Minister to Sri Lanka to hold diplomatic engagements. The Sri Lankan side too has responded positively to such exchanges and the country's President Anura Kumara Disanayaka paid official visit to India in December 2024 which was preceded by his predecessor and many other Sri Lankan officials who have visited the country time and again.

CHECK YOUR PROGRESS:

1. Discuss the areas of cooperation between India and Sri Lanka
2. Do you think China is acting as a Big Brother in India- Sri Lanka Relations
3. What are the areas of contention in Indo-Sri Lankan Relations? Elaborate.

4. How has India's economic assistance helped Sri Lanka during its recent economic crisis?

5.5 Summing Up:

After reading this unit you will be able to understand that India- Sri Lanka relations have undergone a qualitative and quantitative transformation in the recent past. Political relations are close, trade and investments have increased, infrastructural and connectivity linkages are constantly getting augmented, defence collaboration along with tourism prospects have also developed for the better. The onus now is on the two countries to maintain their positive relation and work together to create a healthy South Asian security and peaceful environment.

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BLOCK: IV
INDIA AND ITS NEIGHBOURS – II

Unit 1: India and Myanmar

Unit 2: India and Bhutan

Unit 3: India and Maldives

Unit 4: India and Mauritius

Unit 5: India and Afghanistan

UNIT: 1
INDIA AND MYANMAR

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1.1 Introduction

India and Myanmar (earlier known as Burma) have a long-established and diverse relationship, anchored in people-to-people, political and diplomatic ties, shared history and culture, and geographical contiguity. Over time, their bilateral ties have expanded to cover many areas, including trade, security, and regional cooperation. Myanmar's strategic location as a neighbour to India and its position at the crossroads of South and Southeast Asia make it a critical partner in India's "Neighbourhood First Policy", which seeks to strengthen ties with neighbouring countries to promote regional stability, economic growth, and security. The country is a key partner in India's engagement with Southeast Asia, acting as a vital land bridge between India and the ASEAN

(Association of Southeast Asian Nations). It signifies Myanmar's significance in India's "Act East Policy". The two nations have collaborated on several fronts, including economic development, infrastructure projects, counter-terrorism efforts, energy partnerships, and defense cooperation.

Despite these areas of cooperation, challenges persist in the relationship. Myanmar's internal political instability has, at times, strained the partnership, affecting economic cooperation and project implementation. Border security remains a persistent issue, with insurgent groups operating across the Indo-Myanmar frontier, complicating bilateral security efforts. Additionally, the slow execution of infrastructure projects and China's expanding influence in Myanmar pose further challenges for India's interests in the region. While the relationship is generally amicable, it is shaped by both collaborative opportunities and significant challenges that require careful diplomatic management.

1.2 Objectives

This unit is an attempt to explain India-Myanmar bilateral relations. After going through this unit, you will be able to -

- *understand* the geographical proximity, shared history and culture, and people-to-people ties;
- *analyse* the political and diplomatic relations, areas of cooperation, and shared interests between India and Myanmar;
- *explain* the issues and challenges in India-Myanmar bilateral relations.

1.3 India and Myanmar: Geographical Proximity, Shared History and Culture, and People-to-People Ties

India and Myanmar are neighbours that share around 1643 km of land border characterized by dense forests and rugged terrain. Four Indian states, Arunachal Pradesh, Nagaland, Manipur, and Mizoram share a land border with Myanmar. Due to its location and geographical proximity, Myanmar is regarded as “India’s gateway to Southeast Asia”. It is the only Southeast Asian country and the only ASEAN (Association of Southeast Asian Nations) member with which India shares a land border. They also share a maritime boundary in the Bay of Bengal. In 1986, India and Myanmar formalized a Maritime Boundary Agreement, which delineated their respective maritime zones in the Bay of Bengal, Andaman Sea, and Coco Channel. This agreement was essential in clearly defining territorial waters and exclusive economic zones (EEZs), ensuring effective resource management and minimizing the risk of maritime conflicts.

Historically, the Bay of Bengal served as a key trade route between India and Myanmar, linking ports like Tamralipti, Puri, and Nagapattinam of India with Thaton, Mrauk U, and Bago of Myanmar. Indian traders supplied cotton, spices, and metalwork, while Myanmar exported teakwood, rubies, and precious stones. These maritime interactions also helped spread Buddhism, Hinduism, and Indian cultural influences, especially during the Burmese Pagan Empire (9th–13th century CE). Besides, the Old Burma Road and Stilwell Road historically connected Assam to northern Myanmar, promoting trade and movement. Trade hubs in Manipur, Mizoram, and Nagaland facilitated commerce between India and Southeast Asia. These traditional trade routes boosted not only the foundation of economic ties but also religious, cultural and people-to-people ties.



Image 1 - Source: <https://www.christianitytoday.com/wp-content/uploads/2024/04/140225.png?resize=1536,1247>

STOP TO CONSIDER

Through a bilateral agreement concluded on December 23, 1986, the maritime border between India and Myanmar was formed, spanning the Andaman Sea, Coco Channel, and Bay of Bengal. Following a modified equidistance line for 593 nautical miles, the boundary divides Myanmar's maritime rights from India's Andaman and Nicobar Islands. The boundary starts at Point 1, which is also the tripoint with Thailand. This trilateral agreement was formally formalized on October 27, 1993.

These traditional trade links are related to the shared history of the two countries in colonial experience. Myanmar was a part of British India as its province from 1824 to 1937. After 1937, Burma was separated from British India as a separate British colony to

undermine its growing nationalist movement influenced by India's independence movement. Both the countries shared strategies to buttress their anti-colonial movements. Burmese leader, Aung San, had strong associations with Indian independence leaders and acknowledged India's contribution to its liberation in 1948. British colonial policies facilitated the migration of Indians to Myanmar, resulting in a significant Indian presence in agriculture, trade, and administration. By the early 20th century, Indians made up nearly half of Yangon's population, contributing extensively to business, banking, and government services. Indian labourers and merchants were vital in developing Myanmar's railway systems, ports, and urban infrastructure, especially in major cities such as Yangon, Mandalay, and Mawlamyine. Additionally, the Irrawaddy Delta's rice industry thrived due to the significant involvement of Indian workers in cultivation and trade. This shared colonial experience has shaped the political exchanges, migration patterns and economic cooperation in the post-independence period.

India and Myanmar have a history of long-standing religious and cultural exchanges. Buddhism is a strong religious and cultural bridge. Theravada Buddhism, the primary religion in Myanmar, traces its origins to India and was introduced through early interactions with Mauryan Emperor Ashoka (3rd century BCE), who dispatched Buddhist missionaries to regions that now include Myanmar. Bodh Gaya in India, where Gautama Buddha attained enlightenment, holds immense spiritual significance for Burmese Buddhists, attracting thousands of pilgrims from Myanmar each year. Myanmar's most sacred Buddhist site, the Shwedagon Pagoda in Yangon, is believed to house relics of the Buddha and showcases architectural and religious influences from India. The Pali Canon, the earliest compilation of Buddhist scriptures, was transmitted from India to Myanmar, significantly influencing Burmese religious

traditions and practices. Myanmar's monastic system maintains strong historical ties with Indian Buddhist institutions, particularly the renowned Nalanda and Vikramashila monasteries, which played a crucial role in shaping its teachings and scholarly traditions.

These historical ties continue to influence their relationship today, promoting strong cultural connections and enhancing people-to-people ties. The ethnic communities, like the Nagas, Mizos, Kukis, and Chins, who inhabit on both sides of the border, share common ancestries, customs, and linguistic, cultural, and familial ties, enabling frequent cross-border interactions. Additionally, many tribal groups maintain similar social structures, governance systems, and religious traditions, further reinforcing their cultural connections. Besides, India's cultural impact is deeply woven into Myanmar's festivals, music, dance, and literature, showcasing centuries of historical ties. This influence is especially prominent in Buddhist customs, Hindu legends, and artistic traditions. For instance, Myanmar's full moon festivals, like Thadingyut and Kason, share similarities with India's Buddha Purnima, as both commemorate Buddha's birth, enlightenment, and passing through religious ceremonies and rituals. Myanmar's Yama Zatdaw, an adaptation of the Indian Ramayana, is recognized as the country's national epic and is frequently showcased in theaters and cultural festivals.

The traditional people-to-people ties are further boosted by the diasporic relations that can be traced to the colonial-era migration. Myanmar has a large Indian-origin population, like Tamils, Bengalis, Punjabis, Marwaris, and Gujaratis, mainly in Yangon, Mandalay, and Mawlamyine, contributing to trade, textiles, and finance. Indian cultural heritage remains strong through temples, gurdwaras, and mosques. Similarly, Burmese-origin communities in Northeast India and Tamil Nadu continue to uphold their cultural

heritage and maintain close ties with Myanmar. The India-Myanmar diaspora actively fosters bilateral relations by enhancing cross-border trade, cultural exchanges, and diplomatic engagement while preserving deep-rooted historical and ethnic ties between the two nations. These people-to-people ties significantly strengthen India-Myanmar relations, extending beyond diplomacy and trade. The cross-border communities, linked by ethnicity, culture, and history, foster social, economic, and religious exchanges. Such grassroots-level engagement reinforces mutual understanding and long-term cooperation between the two neighbouring countries.

SELF ASKING QUESTION

How have historical ties facilitated India-Myanmar bilateral Relations?

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1.4 India and Myanmar: Political and Diplomatic Relations

India and Myanmar have a deep-rooted political and diplomatic relationship, influenced by their shared colonial past, post-independence collaborations, and shifting geopolitical priorities over the decades. The history of its diplomatic and political relations can be traced to its shared colonial experience that shaped the foundation of the bilateral relations. This section discusses the political and diplomatic relations between India and Myanmar in the post-independence period.

(i) Political and Diplomatic Relations in the pre-1990s period:

Myanmar, formerly known as Burma, attained independence from the British in 1948. India, having secured its independence in 1947,

was one of the first nations to acknowledge Myanmar's sovereignty. This early diplomatic gesture helped establish strong bilateral relations, with both countries prioritizing non-alignment and peaceful coexistence in their foreign policies. Jawaharlal Nehru, the first prime minister of India, and U Nu, the first prime minister of Myanmar, had a close political and personal friendship. Both the leaders promoted non-alignment during the Cold War and were devoted to democracy and socialism. Their same vision resulted in improved collaboration in economic alliances and regional peace initiatives.

For instance, India and Myanmar's shared commitment to regional stability led to active participation in peace initiatives such as the Asian Relations Conference (1947) and the Bandung Conference (1955), which laid the groundwork for the Non-Aligned Movement (NAM). Myanmar, like India, pursued a non-aligned foreign policy, avoiding alignment with either the Western or Communist blocs during the Cold War. During this period, India and Myanmar maintained strong diplomatic ties, marked by high-level visits such as Prime Minister U Nu's visit to India in 1951 and 1954 and Jawaharlal Nehru's reciprocal visit to Myanmar in 1954.

Between 1962 and 1988, India-Myanmar relations experienced a notable decline, primarily due to Myanmar's military rule, economic nationalization, and diplomatic isolation. The authoritarian and isolationist stance of the military regime targeted the foreign communities and businesses that affected the Indian diaspora in Myanmar. The large-scale displacement of Indian-origin communities, along with Myanmar's reduced participation in international affairs, like NAM, resulted in strained ties and minimal bilateral cooperation. For instance, India, which had previously relied on Myanmar for rice imports, saw a decline in trade as Myanmar turned inward. The suppression of political freedom in

Myanmar led to a diplomatic rift, as India remained committed to democracy and non-alignment. Besides, Myanmar's nationalization of industries and state-controlled economy disrupted the historical trade ties between the two countries.

The lack of cooperation on border security between India and Myanmar during the military regime created a safe refuge for insurgent groups from India, particularly in the dense forests along the 1,643 km-long India-Myanmar border. Insurgent groups, such as the United Liberation Front of Assam (ULFA) in Assam, the National Socialist Council of Nagaland (NSCN) in Nagaland and Manipur, and the People's Liberation Army (PLA) of Manipur, set up bases in Myanmar's Sagaing Region and Chin State. They exploited the porous border and weak military oversight in these remote areas to operate freely. India's efforts to establish joint military operations against insurgent groups were largely unaddressed by Myanmar's military leadership, which placed greater emphasis on domestic stability rather than border security collaboration. The armed forces remained primarily engaged in conflicts with ethnic rebel groups, such as the Karen, Kachin, and Rohingya factions, resulting in minimal action against Indian insurgents operating from Myanmar's territory. This further strained the bilateral relations as India perceived the inaction of Myanmar as a security risk.

The 1988 pro-democracy uprising in Myanmar was met with a brutal military crackdown, leading to mass arrests and killings. India strongly condemned the suppression, supported Aung San SuuKyi and the National League for Democracy (NLD), and provided asylum to fleeing activists. This led to diplomatic tensions with Myanmar's military regime, which viewed India's actions as interference in its internal affairs. However, by the mid-1990s, India recalibrated its approach, balancing democracy advocacy with

strategic engagement. India understood the strategic value of interacting with Myanmar for both economic and regional security reasons. This shift in India's diplomatic approach laid the groundwork for closer cooperation on trade, infrastructure, and security issues, eventually leading to a renewed diplomatic relationship.

STOP TO CONSIDER:

During the 1990s, India introduced the Look East Policy (LEP) to strengthen ties with Southeast Asia, identifying Myanmar as a key link to ASEAN. This policy signified a transition from India's support for Myanmar's pro-democracy movement to a more pragmatic engagement with the country's ruling military government. Therefore, India's LEP, now Act East Policy, was the key driver to India's shift in its diplomatic approach towards Myanmar.

(ii) Political and Diplomatic Relations in the 1990s and Aftermath: During the 1990s, India and Myanmar undertook several high-level diplomatic visits to restore and strengthen bilateral ties. In 1993, Foreign Secretary J.N. Dixit's visit marked India's first major outreach to Myanmar's military government. This was followed by Myanmar's Foreign Minister U Ohn Gyaw visiting India in 1994, focusing on border security and trade. In 1997, India's External Affairs Minister I.K. Gujral reinforced diplomatic engagement, aligning with Myanmar's ASEAN membership. The 1998 visit of Senior General Than Shwe, Myanmar's head of state, elevated relations further, with discussions on security, trade, and infrastructure, followed by India's support for Myanmar's

development projects. These visits helped transition India-Myanmar relations from diplomatic tensions to strategic cooperation.

For instance, by the mid-1990s, India and Myanmar initiated joint military operations to curb cross-border militancy, particularly targeting Indian insurgent groups that operated from Myanmar's territory. This was followed by increased intelligence-sharing and coordinated offensives to dismantle militant camps. Additionally, both countries signed a Border Trade Agreement in 1994, officially opening trade posts on both sides of the borders at Moreh-Tamu and Zokhawthar-Rih to boost economic ties, including India's investment in Myanmar's offshore oil and gas blocks through ONGC Videsh Limited (OVL). These diplomatic engagements facilitated infrastructure and connectivity initiatives by India to connect its Northeastern region with Myanmar and Southeast Asia.

In 2011, Prime Minister Manmohan Singh became the first Indian PM to visit Myanmar in 25 years. He signed 12 agreements on trade, energy, and border management and announced India's investment in infrastructure projects, including the Kaladan Multi-Modal Transit Transport Project and the India-Myanmar-Thailand Trilateral Highway, strengthening bilateral ties. Subsequently, Prime Minister Narendra Modi undertook his first bilateral visit to Myanmar from September 5-7, 2017, intending to enhance strategic, economic, and cultural relations while addressing significant regional issues. With the continuity of their commitment to counter-insurgency efforts, strengthening border security, and support for key connectivity projects, India launched Operation Insaniyat to provide humanitarian aid amidst the Rohingya crisis. Modi also emphasized cultural diplomacy, visiting the Ananda Temple in Bagan and supporting Myanmar's Buddhist heritage preservation.

STOP TO CONSIDER:

The Rohingya crisis revolves around the prolonged persecution and forced displacement of the Rohingya, a predominantly Muslim ethnic group from Myanmar's Rakhine State. Although they have lived in Myanmar for generations, the 1982 Citizenship Law denies them recognition as citizens, as they are not included in the country's list of officially recognized ethnic groups. Consequently, they face systemic discrimination, including restrictions on movement, education, and employment. The situation worsened in 2017 when a military crackdown followed attacks by the Arakan Rohingya Salvation Army (ARSA), resulting in mass killings, sexual violence, and the destruction of Rohingya villages. This forced over 740,000 Rohingya to flee to Bangladesh, creating a major humanitarian crisis.

Between 2019 and 2022, high-level visits strengthened India-Myanmar relations. In 2019, Myanmar's President U Win Myint visited India, signing agreements on connectivity, defence, and border infrastructure. In 2020, President Ram Nath Kovind visited Myanmar, reaffirming India's support for democratic transition, economic growth, healthcare, and education. In 2022, Myanmar's Foreign Minister visited India, focusing on regional security, cross-border connectivity, and Myanmar's post-coup political situation. These diplomatic visits have played a crucial role in shaping India-Myanmar relations, fostering cooperation in trade, security, connectivity, and regional stability despite the military rule in Myanmar with a brief period of democratic transition during the 2010s.

The diplomatic and political relations have evolved through various phases, from historical ties and early cooperation to periods of

estrangement and eventual strategic engagement. While India supported Myanmar's pro-democracy movement, geopolitical and security considerations led to a pragmatic engagement with its military leadership.

CHECK YOUR PROGRESS

Q.1: What are the domestic and regional factors that led India to shift its diplomatic approach toward Myanmar in the early 1990s?

Q.2: How did the leadership of India and Myanmar shape its bilateral relations?

1.5 Areas of Cooperation and Shared Interests between India and Myanmar

This section explains the collaborative initiatives and shared interests between India and Myanmar that have determined the nature of their bilateral relations.

(i) Bilateral Institutional Mechanisms: India and Myanmar have established several institutional mechanisms to facilitate regular consultations between their governments. The Foreign Office Consultations (FOC) are led by India's Foreign Secretary and Myanmar's Permanent Secretary, providing a platform for diplomatic discussions. The 20th Foreign Office Consultations took place in New Delhi on December 6, 2023. For security cooperation and related matters, the National Level Meeting (NLM) serves as the primary forum, bringing together officials at the Home Secretary or Deputy Home Minister level. This platform addresses issues such as security collaboration, consular affairs, drug trafficking, and inter-agency coordination. The 22nd NLM was held in New Delhi on October 25-26, 2018. Additionally, the NLM is supported by the

Joint Secretary-level / Sectoral Level Meeting (SLM). The 24th SLM was conducted in Nay Pyi Taw on September 23-24, 2019. The Regional Border Committee Meeting (RBCs) is the key platform for armed forces to address counter-insurgency and border security, with the 15th RBC held in Manipur from December 9-11, 2019. Boundary matters are managed by the Joint Boundary Working Group (JBWG), with the 3rd meeting held in Yangon on August 26-27, 2018. Trade-related issues are discussed in the Joint Trade Committee (JTC) at the Commerce Minister level, with the 7th JTC held virtually on November 24, 2020.

(ii) Trade: Myanmar-India trade relations are shaped by their close geography and historical connections. The two countries signed a bilateral trade agreement in 1970. During 2021–2022, India’s exports to Myanmar increased by 45 per cent, while its imports from Myanmar increased by 55 per cent. In 2022–2023, India’s exports were valued at USD 807 million, while the entire bilateral commerce between the two countries was USD 1.76 billion. India is the fifth-largest trading partner of Myanmar, with key exports of pharmaceuticals, machinery, iron and steel, electrical equipment, and textiles. Myanmar is a major supplier of pulses and beans to India. Due to the statement by the Indian government regarding the importation of Black Matpe (Urad) and Pigeon Pea (Tur) under the Open General License system, Myanmar’s exports of pulses to India surged in 2023. To increase trade between India and Myanmar, the Reserve Bank of India (RBI) recently approved a trade settlement mechanism in Indian rupees (INR). Punjab National Bank (PNB) has been appointed by the RBI as the nodal agency to work with the Myanmar government to manage the trade settlement plan’s execution.

India and Myanmar conduct formal and informal trade through key border points, including Moreh-Tamu (Manipur), Zokhawthar-Rih

(Mizoram), and Nampong-Pangsau Pass (Arunachal Pradesh). These trade routes facilitate economic activities, local commerce, and cross-border exchanges. The 1994 India-Myanmar Border Trade Agreement helped formalise trade, allowing the exchange of agricultural goods, textiles, and household items. India has made significant energy and infrastructure investments in Myanmar to strengthen economic ties. ONGC Videsh and GAIL (Gas Authority of India Limited) have invested in Myanmar's oil and gas sector, ensuring energy security for both countries. India's strengths in pharmaceuticals, textiles, and engineering complement Myanmar's raw material exports, fostering industrial growth. India and Myanmar share key trade interests in agriculture, energy, connectivity, and manufacturing.

(iii) Development Cooperation, Connectivity, and Infrastructure: Development partnership has been a significant area where India and Myanmar share common interests. India has been financially assisting development projects in Myanmar. India has a substantial development cooperation portfolio in Myanmar, valued at around USD 2 billion, with most projects implemented through grant-in-aid. Additionally, both the countries are in the final stages of negotiations for a USD 270 million Line of Credit to support further development initiatives. India prioritizes regional connectivity with projects like the Kaladan Multi-Modal Transit Transport Project (KMTTP) and the India-Myanmar-Thailand (IMT) Trilateral Highway. In May 2023, the Sittwe Port, a key component of KMTTP, was inaugurated. Additionally, India supports people-centric development through initiatives such as the Border Area Development Programme (BADP) in Chin State and the Naga Self-Administered Zone, as well as the Rakhine State Development Programme (RSDP), focusing on bridges, roads, schools, and healthcare facilities. On December 20, 2017, India and

Myanmar signed a government-to-government (G2G) Memorandum of Understanding (MoU) to support the long-term socio-economic development of Rakhine State, with India committing USD 25 million for the initiative.

India has consistently provided humanitarian aid to Myanmar in response to natural disasters. It extended assistance following Cyclone Mora (2017), Cyclone Komen (2015), Cyclone Nargis (2008), and the 2010 earthquake in Shan State, demonstrating its commitment to disaster relief and regional support.

STOP TO CONSIDER:

The Kaladan Multi-Modal Transit Transport Project (KMTTP) enhances connectivity between India's Northeast and Myanmar through a sea, river, and road network. It includes Sittwe Port (inaugurated in May 2023), an inland waterway from Sittwe to Paletwa, and a road link to Mizoram, improving trade and regional integration. However, it faces delays due to security concerns in Rakhine State, difficult terrain, political instability following Myanmar's 2021 coup, and contractual setbacks.

(iv) India-Myanmar and the Regional Dimension: Myanmar's participation in ASEAN, Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), and Mekong-Ganga Cooperation (MGC) has strengthened its regional and sub-regional engagement with India. These forums facilitate economic, strategic, and diplomatic collaboration, complementing India's Act East Policy, which focuses on deepening connections with Southeast Asia. Myanmar became a member of ASEAN in 1997, enhancing India's ties with Southeast Asia through the ASEAN-India Dialogue Partnership. India works with Myanmar within ASEAN frameworks

to strengthen trade, connectivity, and security cooperation. Similarly, Myanmar plays a vital role in India's connectivity with Southeast Asia through BIMSTEC. Both countries collaborate in areas such as energy, transportation, trade, and counter-terrorism under this regional framework. The MGC connects India with Myanmar, Thailand, Laos, Cambodia, and Vietnam, fostering economic and cultural collaboration. Myanmar is a crucial partner in India's regional connectivity initiatives, including the IMT Trilateral Highway. India has supported Myanmar's participation in regional organizations, notably advocating for its observer status in SAARC in 2008, which helped strengthen Myanmar's engagement with South Asia. These regional partnerships strengthen India-Myanmar ties, establishing Myanmar as a link between South and Southeast Asia while supporting India's broader strategic goals in the region.

(v) India-Myanmar Shared Security Interests: India and Myanmar maintain a strategic security partnership influenced by their shared 1,643 km porous border, mutual security challenges, and the goal of regional stability. Their collaboration focuses on border management, counter-insurgency, counter-terrorism, anti-drug trafficking efforts, and defence cooperation. The India-Myanmar border is susceptible to illegal cross-border activities, including insurgency and smuggling. Various militant groups from India's Northeast have utilized Myanmar as a safe haven. To counter this, both countries have undertaken joint military operations, notably Operation Sunrise (2019), to dismantle insurgent camps. Additionally, Myanmar has cooperated by extraditing Indian insurgents found within its territory, reinforcing bilateral security efforts. India and Myanmar collaborate on intelligence sharing to counter militant threats and enhance regional security, with India also supporting Myanmar in managing ethnic conflicts in the

Rakhine and Shan states. Notably, Myanmar is a significant neighbour for India to address insurgency in its Northeast.

The Golden Triangle (Myanmar, Thailand, Laos) is a major center for illegal drug production and trafficking, which affects India's Northeast. To counter this, India and Myanmar have signed agreements to enhance cross-border cooperation in fighting drug smuggling and organized crime. Frequent high-level engagements, including the 7th Myanmar-India Bilateral Meeting on Drug Control in January 2024, provide a platform for both countries to enhance cooperation and strategise against drug trafficking. The Free Movement Regime (FMR) permits residents along the India-Myanmar border to travel up to 16 km without a visa, facilitating social and economic exchanges. However, due to security concerns, illegal migration, and insurgent activities, India is considering modifying or discontinuing the FMR to strengthen border security. India has deepened defence cooperation with Myanmar through military exchanges (India-Myanmar Bilateral Army Exercise), training programs, and arms transfers. Myanmar's military officers undergo training at Indian institutions like the National Defence Academy (NDA) and the Indian Military Academy (IMA). Additionally, India has provided military equipment, including patrol boats and torpedoes, to strengthen Myanmar's defense capabilities.

Due to Myanmar's strategic location, security collaboration is a crucial aspect of India-Myanmar ties, playing a vital role in maintaining regional stability and peace.

(vi) Education, Capacity Building, and Cultural Cooperation:

India and Myanmar collaborate in education and capacity building through scholarships, training programs, and skill development

initiatives. India provides academic scholarships under the Indian Council for Cultural Relations (ICCR) and Indian Technical and Economic Cooperation (ITEC) program, supports technical education through institutions like the Myanmar Institute of Information Technology (MIIT), and promotes vocational training in agriculture, handicrafts, and digital skills. In the 2022-2023 financial year, Myanmar students utilised 9 out of 20 scholarship slots provided by the ICCR. These efforts enhance human resource development and strengthen bilateral ties, contributing to Myanmar's socio-economic progress. The ICCR President visited Myanmar in August 2023, presented the ICCR Distinguished Alumni Award to Dr. Wah Wah Maung, Deputy Minister for Investment and Foreign Economic Relations, unveiled a portrait of Lokmanya Bal Gangadhar Tilak at India Center, and engaged with various Indian diaspora groups.

CHECK YOUR PROGRESS

Q.1: What is Myanmar's strategic and economic significance for India?

1.6 India-Myanmar Relations: Issues and Challenges

India-Myanmar relations are not devoid of issues and challenges in the areas of security, trade, infrastructure, political instability, and regional influences that impact cooperation and mutual interests.

Border security and insurgency are major concerns for India when it comes to the India-Myanmar porous border. It is exploited by the militant outfits for training camps and smuggling of arms from illicit networks. The border also serves as a major conduit for drug trafficking originating from Myanmar's Golden Triangle region

(Myanmar-Thailand-Laos). The revenue generated from this illegal trade supports militant groups, enabling them to acquire arms and sustain their activities. The Free Movement Regime (FMR) permits residents living along the border to travel up to 16 km into each other's territory without requiring a visa, which has inadvertently facilitated the movement of militants across the border. Insurgent groups take advantage of this provision for logistical support, arms smuggling, and regrouping. Given the rising security concerns, India is currently reevaluating the FMR and considering stricter border control measures.

The 2021 military coup in Myanmar caused political instability, weakening governance and straining diplomatic ties. India has maintained engagement with both the military (Tatmadaw) and pro-democracy groups to safeguard its strategic and security interests. The unrest also delayed key infrastructure projects, including the India-Myanmar-Thailand Trilateral Highway and the Kaladan Multi-Modal Transit Transport Project (KMTTP). The influx of refugees, particularly after the 2021 coup, has led to a rise in illegal settlements and cross-border crimes in India's northeastern states like Manipur and Mizoram. Bilateral trade between India and Myanmar is approximately USD 1.7 billion in 2022-23, though its full potential remains unfulfilled due to logistical difficulties, banking limitations, and non-tariff barriers. Trade at key border points like Moreh-Tamu and Zokhawthar-Rih is frequently disrupted by security concerns. Additionally, Western-imposed economic sanctions on Myanmar pose challenges for Indian businesses operating in the country. Major regional connectivity initiatives, like KMTTP and the India-Myanmar-Thailand IMT Trilateral Highway, have faced setbacks due to funding constraints, insurgent activities, and bureaucratic challenges. Additionally,

inadequate road networks and insufficient port infrastructure continue to obstruct smooth trade and transportation.

China has strengthened its involvement in Myanmar through major infrastructure investments, particularly under the Belt and Road Initiative (BRI). A crucial aspect of this is the China-Myanmar Economic Corridor (CMEC), which links Yunnan province in China to key economic centers in Myanmar, offering Beijing direct access to the Indian Ocean. A notable project is the Kyaukpyu deep-sea port, which enables China to bypass the Malacca Strait for its energy imports and trade. This enhances China's maritime influence near India's eastern coast, reducing its reliance on conventional sea routes controlled by the U.S. and its allies. This impacts India by limiting its strategic and economic engagement, delaying key projects like KMTTP and the IMT Highway, and raising security concerns due to China's ties with Myanmar's military. Meanwhile, Myanmar's dependence on China reduces its responsiveness to India's diplomatic efforts. Although India continues to engage with Myanmar through trade, infrastructure, and security cooperation, China's strong financial investments and political support grant it greater influence over Myanmar's policies and economic trajectory.

The trajectory of India-Myanmar relations will be largely determined by the evolving security situation in Myanmar following the 2021 military coup, which has implications for India's northeastern border stability and regional strategy. Besides navigating China's growing influence, cross-border insurgency and refugee inflows remain persistent challenges. Despite these challenges, economic engagement and shared interests in regional connectivity provide opportunities for constructive cooperation, provided both sides manage their political and security concerns pragmatically.

CHECK YOUR PROGRESS:

1. Explain the nature of India-Myanmar bilateral relations and its various dimensions.
2. How have India-Myanmar relations evolved over time?
3. What are the key issues and challenges affecting India-Myanmar relations?

1.7 Summing Up

The nature of the bilateral relations between India and Myanmar (earlier known as Burma) has many sides. It has been shaped by geographical links, historical and cultural connections, people-to-people ties, political and diplomatic ties, trade, development partnerships, defence and security cooperation, and common interests in regional stability. Over time, India has shifted from a cautious approach to a strategic partnership, balancing its commitment to democratic values and economic interests with Myanmar's geopolitical significance in the Act East Policy. India remains committed to deepening its partnership with Myanmar through infrastructure projects, security cooperation, and diplomatic engagements. Despite issues and challenges, India and Myanmar navigate evolving regional dynamics, and their relationship remains crucial for stability, development, and connectivity in South and Southeast Asia.

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UNIT: 2

INDIA AND BHUTAN

Unit Structure:

- 2.1 Introduction
- 2.2 Objectives
- 2.3 Historical Background
- 2.4 Political Relations
- 2.5 Economic Co-operation
- 2.6 Development Co-operation
- 2.7 Cultural Relations and People-to-People Connection
- 2.8 Emerging Areas of Cooperation
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2.1 Introduction

The Republic of India and the Kingdom of Bhutan, two sovereign nation-states in the South Asian region, share a distinctive bilateral relationship. The relation is characterised by geographical proximity, cultural affinity and most importantly, shared security interest. Rooted in deep colonial engagement, it evolved to the modern phase through a diverse trajectory. The formalisation of political relations between India and Bhutan was initiated by the signing of the Treaty of Perpetual Peace and Friendship in 1949, however, formal diplomatic tie was established in 1968 only. Trade relations were formalised in the year 1972.

Moving away from history, if we focus on the current trend of India-Bhutan relations, we will find several hallmarks of it. The

contemporary India-Bhutan tie is based on strategic interests, trade, hydropower cooperation, and development partnership.

Bhutan's geographical location between India and China makes the state tremendously important for India and its security. Since Bhutan serves as a buffer state, a stable and peaceful relation with Bhutan ensures India with security in terms of Chinese presence and influence. Security is identified as the primary goal behind India's engagement with Bhutan. However, there are other aspects of the bilateral ties. Trade is an important pillar of the relation, India being the largest trading partner of the Kingdom. Another core area is hydroelectric power, where both the countries have closer cooperation. However, the current trend of India-Bhutan relation is highly focused on development cooperation.

The chapter attempts to provide a comprehensive overview of India-Bhutan relations. It starts with tracing the historical trajectory. Further, the chapter delves into political relations between the countries with special focus to instruments like treaties, embassies, consulates and the regular high-level exchanges. The areas of economic cooperation are thoroughly discussed with a focus on trade, investments, hydropower and development cooperation. Cultural and people-to-people exchanges occupy an important place in the bilateral relation, which are included in the discussion. Last but not least, some new areas of cooperation beyond the traditional ones, are briefly introduced here.

2.2 Objectives

After going through the chapter, the learner will be able to –

- *trace* the evolution of India-Bhutan relations with its historical background;

- *describe* the political and diplomatic relations between India and Bhutan;
- *explain* India's economic cooperation with Bhutan;
- *examine* the cultural relations and people-to-people connection between India and Bhutan;
- *explore* the newly emerging areas of cooperation in India-Bhutan relations.

2.3 Historical Background

India's unique bilateral relations with Bhutan have a long and diverse historical trajectory. The relation can be traced back to the precolonial period, primarily characterised by cultural exchange and religious influences, especially Buddhism. The relations have evolved from the period of British colonial rule, through the post-colonial era, to the contemporary phase.

The British East India Company's expansionist ambition laid the historical foundation of British India's formal interactions with Bhutan. After colonising India, the company expanded its trade to the resource-abundant Himalayan region, Tibet and China. However, with the rise of the Gorkha power, the route to Tibet through Nepal was closed. Bhutan was the best alternative route for the British, for which they needed a relation and understanding with Bhutan. In 1772, a dispute in Coch-Bihar regarding the principality arose, which allowed the East India Company to get engaged with Bhutan. The company and Bhutan got into a war, supporting two factions of claimants of the principality over Coch-Bihar. The war ended with the defeat of Bhutan. A treaty was signed between Deb Raja of Bhutan and the East India Company. The treaty was a landmark, as the first document to formalise British India's relations with Bhutan. The treaty above established a friendly understanding

with the then-ruler of Bhutan. The treaty helped the company to start trade and commercial relations with Bhutan. The relations continued, though with some minor tensions in between.

The relation radically changed after the inclusion of Assam into the British Indian Empire in 1826. The trade and economic relations started taking a political shape. The relation between the East India Company and Bhutan revolved around the issue of *Duars*. The Duars are floodplain areas located in the foothills of the Eastern Himalayas. The western Duars were controlled by Bhutan, while they did not have full control over the eastern Duars. The occupation of Eastern Duars became the major point of conflict between India and Bhutan, which finally led to the Anglo-Bhutanese War (1864-65). The war was concluded with the signing of the Treaty of Sinchula on 11th November 1865.

The treaty was the second landmark in India's relations with Bhutan. The treaty shaped the political and diplomatic relations of India with Bhutan. It, for the first time, established the British paramountcy over Bhutan. Amar Kaur Jasbir Singh significantly noted that the treaty of 1865 has brought various changes to the internal and external affairs of Bhutan and established the state as a buffer zone.

With the changing geopolitical landscape, India-Bhutan relations underwent radical changes and took more diplomatic character. The growing presence of China in the Himalayan region, especially Tibet, concerned the British, and an expedition was sent to Lhasa (present-day Tibet). The establishment of hereditary monarchy in Bhutan under the leadership of Ugyen Wangchuk was another turning point of British India's relation with Bhutan. It provides the British, the opportunity to revise the previous treaty of 1865 and formalise relation with the monarchy. The treaty of Punakha was signed on 8th January 1910. The treaty was designed to shape India-Bhutan relations in a manner that the kingdom had all freedom in

internal affairs but its foreign relations would be controlled by the British government. It was done in such a manner to counter the influence of China over Tibet and even Bhutan itself. Ram Rahul noted that the treaty made Bhutan a protectorate of British India, though the word “protectorate” is not mentioned in the document. Bhutan did not become a part of India, but lost its external sovereignty. The treaty of 1910 was significant in shaping India-Bhutan relations in the later phase. The document established British suzerainty over the kingdom, which continued in the post-independence period as well.

After independence, India signed the Treaty of Perpetual Peace and Friendship with Bhutan in 1949, which became the guiding document for almost all aspects of bilateral relations. India followed and still follows the policy of non-interference in the internal affairs of Bhutan. In return Bhutan agreed to be guided by India in terms of its external relations. China’s accession of Tibet in 1950 threatened Bhutan of its national security. The security concern from the aggression of China has become the foundation of strategic engagement between India and Bhutan, which continues.

If we look back, there is a trajectory of growing relations, marked by diversification. Starting from trade relations, going through paramountcy and buffer state, the relation reached a point of making the kingdom of Bhutan a protectorate of British India. In the process of development, the relation flourished with all its important aspects— trade and commerce, political and diplomatic engagement, strategic and defence ties. Currently, India is making its enduring support for the development of Bhutan in all the crucial aspects.

STOP TO CONSIDER

Significance of the Trajectory:

The India-Bhutan relations evolved through a wonderful journey. The ancient period was marked by cultural exchanges and spread of Buddhism. While the colonial phase of relation was motivated by trade aspirations of the British East India Company. The later phase of colonial India's relation with Bhutan is however motivated by security and diplomatic interests. It was because of the growing presence of China in the Himalayan region. There are three significant treaties signed between India and Bhutan during the colonial era. Those are Peace Treaty of 1774, Treaty of Sinchula in 1865 and treaty of Punakha in 1910, which shaped the colonial India's relation with Bhutan. The period is significant from several points. Firstly, it is only in that Bhutan is identified as a buffer zone for India. Secondly, the India's suzerainty over Bhutan was established during this colonial period, which had greater implications on Bhutan's foreign relations. It also shaped India's role in its neighbourhood. Overall, the relations that got developed in the colonial period is the guiding force of independent India's relations with Bhutan. However, development cooperation and foreign aid are the positive extension to it.

2.4 Political Relations

The formal bilateral relation between two sovereign nation states is political and diplomatic at its core. So is in the case of India's bilateral tie with Bhutan. India's maintains a unique and strong bilateral relation with Bhutan based on mutual trust, cooperation, friendship and peace. The relation is formalised with the signing of the Treaty of Peace and Friendship in 1949, which was later revised in 2007. The continuous high-level exchange is the hallmark of the

relation, which is a sign of closer diplomatic engagements between the countries. The contemporary engagement between India and Bhutan is flourishing in the light of two major common interest of both countries, which are Security and development.

Treaties:

Treaties are the most important instrument of a bilateral foreign relation. They work as the primary guiding documents for further interactions. The most important is the Treaty of Perpetual Peace and Friendship, 1949—the bedrock of India-Bhutan relations in the post-independence era. The treaty was signed on the 8th of August 1949, at Darjeeling. It is a comprehensive document, comprising almost all the important aspects of bilateral relations between the two countries. Committing to peace and friendship, the treaty includes provisions for stable political and diplomatic relations, external affairs, economic cooperation and trade, defence, and security.

Under Article II of the treaty, India makes no interference in the internal affairs of Bhutan; in return, Bhutan agrees to be guided by India in terms of its external relations with other foreign countries. The provision established the suzerainty of India over the Kingdom of Bhutan, making India unavoidably important for Bhutan's foreign policy. The treaty not only establishes political relations but also delves into the area of trade and commerce.

Article V of the Peace and Friendship Treaty establishes free trade and commerce between the countries. The provision is a milestone in the unhindered economic ties and enduring trade relations between India and Bhutan. Under the treaty, Bhutan is allowed to use the land and water of Indian territory for trade and commerce. This not only fosters bilateral trade and economic relations but also serves strategic interests. Free trade contributes positively to bringing a country closer to another. Since Bhutan is a buffer state

between India and China, it has immense strategic importance in the region.

The gravity of the condition is reflected in the 6th Article of the treaty, whereby India agrees to allow Bhutan to import arms, ammunition, and warlike materials for its security. Bhutan can import those defence materials with the assistance and approval of the Government of India, from or through India, unless it poses a security threat to India. Reciprocity of trust and cooperation is reflected in the treaty. Justice for Indian nationals living in Bhutan and, reciprocally, for Bhutanese nationals residing in India is ensured through Article VII.

The signing of a revised friendship treaty in 2007 is a significant development in the diplomatic relations of India and Bhutan. The new treaty abandons Article II of the previous one. It ensures Bhutan has more autonomy in maintaining its international relations. The step was a significant move to recognise Bhutan's external sovereignty. Replacing guidance in foreign affairs, through the newly signed treaty both countries ensure mutual cooperation in national interest and national security.

Not limiting it to political or diplomatic relations, the new treaty agrees to promote cultural exchange. In addition to that, cooperation in the fields of health, education, sport, science, and technology found its place in the document. Overall, the revision of the previous treaty and the signing of a new friendship treaty moved India-Bhutan relations one step further—from political-diplomatic to security- and development-oriented.

According to the information on the Ministry of External Affairs' website, 48 treaties/agreements/Memorandums of Understanding (MoUs) have been signed between India and Bhutan. Several other

significant MoUs, comprising diverse areas of cooperation, have been initialled but have yet to be finally signed.

Embassies and Consulates:

An Embassy is the institutional pillar of a bilateral diplomatic relation between two countries. It serves as the conduit of all diplomatic communications and negotiations. The embassy, headed by the ambassador, undertakes the duty of managing political exchanges, promoting strategic interests, facilitating high-level visits, and coordinating intergovernmental agreements.

However, Bhutan did not have a formal diplomatic tie-up to India (or even with any country in the world), though the Treaty of Friendship had come into force. The formal diplomatic relations between India and Bhutan were established in the year 1968. Political turmoil rose in neighbouring Tibet with its annexation by China. It posed a serious threat to Bhutan in terms of its national security, and Bhutan entered into diplomatic relations with India. Significantly, India is the first country for Bhutan to establish diplomatic relations. The Office of the Special Representative of India was opened in Thimphu in 1968. Years later, a Resident Mission of Bhutan with a Special Representative was established in Delhi in 1971. The two resident missions in both the national capitals were designated as full-fledged embassies in 1978.

Currently, Bhutan has resident embassies of only three foreign countries, those being Bangladesh and Kuwait, in addition to India. Again, the Royal Bhutanese Embassy in New Delhi serves as a foremost centre of diplomatic engagement. Besides India, the embassy covers Bhutan's foreign relations with Nepal, Japan and Afghanistan. Besides the Royal Embassy, there are two consulates in Kolkata and Guwahati, established in 2009 and 2018, respectively. The consulates put impetus on fostering the bilateral relations in the concerned state and regions.

High-level Exchanges:

India-Bhutan diplomatic relations are hallmarked by the mechanism of High-level exchanges. In the context of foreign relations, high-level exchange refers to official visits and interactions between the top leadership of two countries. It includes visits by heads of state, heads of government, ministers of foreign affairs or other portfolios, and additionally, the exchanges between other top officials like diplomats and bureaucrats. In the context of India's diplomatic engagement with Bhutan, the high-level visits demonstrate the cruciality and sensitivity of the relationship, along with mutual developmental and security interests.

There have been numerous visits from both sides since independence. Jawaharlal Nehru made the first formal visit to Bhutan as the Prime Minister of India in 1958. The journey continues with regular exchanges. However, let us focus on the recent trend, keeping aside the historical part. After assuming the post of Prime Minister of India in 2014, Narendra Modi made his first foreign visit to Bhutan. The visit marks both the symbolic and strategic importance of Bhutan for India. On the one hand, symbolises mutual goodwill and close bilateral relations, on the other, it serves the strategic interest of prioritising the security partner in its neighbourhood. After assuming the office for the second term in 2019, PM Modi again made a state visit to Bhutan. Significantly, the External Affairs Minister of India, Dr S Jaishankar, visited the Himalayan kingdom twice since assuming office. First, in June 2019, and second, in April 2022. Also, the Foreign Secretary of India made his first overseas visit to Bhutan after assuming office, while co-chairing the India-Bhutan development cooperation talks.

Prime Minister Shri Narendra Modi's state visit to Bhutan in March 2024 could be marked as a landmark in the bilateral tie filled with

goodwill and friendship. As a recognition of PM's outstanding contribution in strengthening the India-Bhutan friendship, the Royal Government of Bhutan conferred Modi with the *Order of the Druk Gyalpo*, the highest civilian decoration of Bhutan. PM Modi becomes the first foreign national to be given this prestigious state award.

The reciprocity of high-level visits is well-maintained by Bhutan, marking the continuity and growth of the relations. His Majesty, the King of Bhutan, visited India in September 2022. Again, in April 2023, His Majesty the King made an official visit to Delhi. During the travel, a joint statement titled "A Framework for Expanded India-Bhutan Partnership" was issued, which outlines some concrete areas to advance the India-Bhutan partnership, reaffirming the strength of the unique ties. The king held meetings consecutively with the Foreign Minister, Prime Minister and the Hon'ble President of India. Continuing the exchanges, his majesty the King of Bhutan again visited India in November 2023, marking his first official visit to Assam and Maharashtra and again in December 2024 to meet the Indian Prime Minister and Foreign Minister. The head of the government, Prime Minister of Bhutan, Dasho Tshering Tobgay, visited India in March 2024, making it his first foreign visit as Prime Minister. The visit indicates Bhutan's diplomatic priority towards India. He also participated as a guest of honour in the oath-taking ceremony of the third Narendra Modi Ministry in June 2024.

In addition to the visits by heads of state or heads of government, there are uninterrupted ministerial and secretarial meetings and exchanges between the countries. The meetings and visits provide a continuum to the bilateral collaborations in all sectors.

STOP TO CONSIDER:

Visa exemption policy and Diplomatic Reliance:

A visa is an important official document to enter and reside in a foreign country. The visa exemption demonstrates a very strong and mutually reliable diplomatic relationship between two countries. Currently, a total of twenty-five countries provides visa-free entry to Indian nationals. Most of them do for a limited period, ranging from fourteen days to one hundred eighty days, mostly under some. Nepal and Bhutan are the only two countries in the world where Indian citizens are allowed to enter and stay without a visa, having no time limit. Reciprocally, India also exempts visas for the entry of Bhutanese nationals, considering all kinds of passports, for an unspecified time limit. India allows citizens of 102 countries to enter without a visa. Among those, Belarus, Bhutan, Nepal and Singapore enjoy complete exemption from all conditionalities and time limits.

CHECK YOUR PROGRESS:

1. What are the major treaties signed between India and Bhutan during the colonial period? Why are they significant for both countries?
2. What are the hallmarks of political and diplomatic relations between India?
3. When was the formal diplomatic relations between India and Bhutan established?
4. What do you mean by High-level exchange? Write in the context of India-Bhutan Relations.

2.5 Economic Co-operations

Economic cooperation is a central pillar of bilateral relations between India and Bhutan. In addition to geographical proximity and security interests, Bhutan's economic interdependence has made the relationship long sustainable and ever-growing. India's economic cooperation with Bhutan does not just serve as the cornerstone of bilateral relations, but also plays a pivotal role in Bhutan's socio-economic developments. Since the formalisation of relations in 1949, economic cooperation has found a central place in the relations, which is continuously evolving. The current landmarks of India-Bhutan economic relations can be identified as – trade, energy cooperation especially hydropower projects, cross-border infrastructure and connectivity, foreign investment, and last but not the least development assistance.

Trade:

India is the largest trading partner of Bhutan. It is both in terms of the import source and export destination for Bhutan. The seeds of India-Bhutan trade relations were sown in the Treaty of Perpetual Peace and Friendship (1949) itself. The treaty included provisions for free trade and commerce between the countries. India also initially gave Bhutan the transit rights to carry its products through the territory of India. However, a specified trade agreement was not there till 1972.

The Agreement on Trade, Commerce and Transit between India and Bhutan was signed in 1972. The agreement has undergone five revisions till now, 2016 being the last yet. It aims at boosting India-Bhutan bilateral trade and also facilitates Bhutan's trade with other countries. The agreement ensures free trade regime between India and Bhutan, allowing for duty-free import of goods. Also, the agreement grants Bhutan duty-free transit rights, which allows the

country to export its goods to third countries through Indian Territory.

Bhutan's major export products to India are electricity, ferro-silicon, dolomite, semi-finished products of iron or non-alloy steel, Portland pozzolana cement, cardamoms, pebbles gravel, gypsum, carbide of silicon, ordinary Portland cement, etc. Bhutan's major imports from India include diesel, petrol, motor vehicles for transport of goods (dumper), ferrous products, telephones, electrical distribution panel board, coke and semi-coke, soya-bean oil, passenger cars and petroleum bitumen. According to the 2024 statistics, the export value of Bhutan to India in Rs 50,434 million, while the import value in the same year is 101,303. India occupies more than 80% export value of Bhutan. Simultaneously, India's share in Bhutan's total import value is more than 83%. The data shows the huge and overwhelming trade relations between the countries and India's trade monopoly over the Bhutanese economy. However, the significant point here is the lack of Balance of Trade. There is a trade deficit of Rs 71,880 million, which directs towards Bhutan's economic dependency on India.

Investment:

India is the leading source of investment in Bhutan, occupying almost 50% of Bhutan's Foreign Direct Investment (FDI). This strong and enduring investment relationship encompasses various sectors, including banking, manufacturing, electricity generation, agriculture and food processing, Information Technology-enabled services (ITES), pharmaceuticals, hospitality, and education. Notable Indian companies operating in various sectors of Bhutan include Punjab National Bank, State Bank of India, Tata Power Company Ltd., General Insurance Corporation, and Apollo Educational Infrastructure Services, etc. There are forthcoming investments in the non-traditional and renewable energy sector of

Bhutan. Reliance Group announced its plans to develop 500 megawatts of solar power and 770 megawatts of hydro power projects in collaboration with Druk Holding and Investments, the largest government-owned company in Bhutan. Additionally, the Adani Group committed to a 570-megawatt green hydro project in Bhutan.

STOP TO CONSIDER:

Economic Corridor:

The Government of Assam, in the budget of 2025-26, made a mention of developing an economic corridor through Assam, named Bhutan-Bodoland-Bay of Bengal (B3) Economic Corridor. The proposed project is to boost trade and transportation between the countries. It will boost economic activities in the region to a greater extent.

SELF-ASKING QUESTIONS:

1. Examine India's economic relations with Bhutan in the light of trade and investment.

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2. Bhutan has a huge trade deficit with India. How do you think it affects Bhutan's economy?

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STOP TO CONSIDER:

Currency Pegging:

Since the introduction of the Ngultrum as the royal currency of Bhutan, it has followed the framework of parity pegging. Pegging of currency between two countries simply refers to setting a fixed exchange rate, while parity pegging means fixing the exchange rate at a 1:1 ratio. The Bhutanese Ngultrum is pegged at par with Indian Rupees (1 BTN = 1 INR). The phenomenon has both positive and negative implications. Among the positives, firstly, a fixed exchange rate with its top trading partner helps Bhutan in simplifying transactions and reducing currency risks. Pegging the Ngultrum at par, with relatively stable Indian Rupees, stabilizes the economy of the small Himalayan Kingdom. Additionally, it helps in reducing the risks of inflation. However, currency pegging has some serious negative impacts as well. The smaller country faces the risk of losing its financial autonomy and becoming over dependent on the country with a stronger economy. Secondly, the risk of currency liquidity constraints is another concern that suits India-Bhutan currency pegging. Bhutan often experiences a huge storage of Indian rupee due to its large amount of trade.

The Foreign Direct Investment of India to Bhutan is mutually advantageous for both countries. Firstly, it provides the Indian investors huge market access to invest in diverse sectors, which positively contributes to the Indian economy. Secondly, a closer economic cooperation with more investments helps India to counter the influence of other foreign nations in Bhutan. This ultimately serves the strategic interest of India. Reciprocally, India's sizeable investment has crucial importance for Bhutan. Firstly, it works as the major source of capital for the socio-economic development of Bhutan. Secondly, it helps the country in developing human capital

and capacity building by partnering with India in various sectors like banking, IT, education etc. Last but not the least, India's substantial investment in Bhutan fosters the countries market integration and diversification of economy. Collaborating with Indian firms brings the scope of getting integrated into the larger Indian market. Investing in diverse sectors helps Bhutan diversify its economy, going beyond the overdependence on hydropower and foreign aid.

Hydropower Cooperation:

Cooperation in the sector of Hydropower is the perfect example of mutually beneficial bilateral cooperation between India and Bhutan. The sector has significant mutual advantages for both countries – from meeting the requirement of electricity for India, to generating sizable export revenue for Bhutan and thereby further strengthening the bilateral economic linkages. Historic agreements, major cooperative projects, joint official meetings and declarations, and increased energy trade are all hallmarks of the Indo-Bhutan hydropower partnership.

India's engagement with Bhutan in the hydroelectric sector dates back to the early 1960s. The first power-related deal between India and Bhutan, the Jaldhaka agreement, was signed in 1961. A bilateral agreement for the building of the Chukha Hydroelectric Project (HEP) was signed in 1974, marking the beginning of India-Bhutan Hydropower Cooperation in terms of joint projects. Govt of India provided funding for the project, and it was fully commissioned in 1988. The journey continues and both governments successfully constructed and commissioned the 336 MW Chukha HEP in 1988, 60 MW Kurichhu HEP in 2001, 1020 MW Tala HEP in 2006, and the latest 720 MW Mangdechhu HEP in 2019. Bhutan has increased its capacity to generate electricity to about 2,451 MW, of which

2,136 MW were developed under these four Inter-Governmental projects. Currently, two major hydroelectric projects - 1200 MW Punatsangchhu-I and 1020 MW Punatsangchhu-II are being constructed under the intergovernmental collaborations.

The bilateral cooperation in the energy sector, especially the hydroelectric power, is formalised through a series of intergovernmental agreements and joint statements. These documents guide the collaborative effort by outlining the principles, modalities, goals and objectives of the projects. New agreements are signed to meet the growing and updated needs. Some of the landmark agreements and statements are discussed here, with reference to high-level visits.

Agreement on Cooperation in the Field of Hydroelectric Power (HEP) was signed in July 2006. The agreement outlines the framework for forthcoming bilateral cooperation in the field of Hydropower. The two sides agreed to increase the scale of power projects from 5,000 MW to 10,000 MW by the year 2020.

Concerning the development of Hydropower Projects through a joint venture between the Public Sector Undertakings of the two countries Framework Inter-Governmental Agreement is adopted in April 2014. This Inter-Governmental agreement includes the framework for the construction of four HEPs of Kholongchhu, Bunakha, Wangchu and Hamkharchu with a total capacity of producing 2120 MW, which will work on a joint venture model. The commencement of these four new projects will further strengthen bilateral engagement in general and energy cooperation in particular.

The foundation stone of the 600 MW Kholongchu hydro-electric project was laid by Indian Prime Minister Narendra Modi in 2014, during his visit to Bhutan. The project, which was carried out by the Druk Green Power Corporation of Bhutan and the Satluj Jal Vidyut

Nigam Limited of India, is a prime example of a joint venture. On June 29, 2020, the 600MW Kholongchu hydroelectric project's concession agreement was virtually completed.

The adoption of the Joint Vision Statement on India-Bhutan Energy Partnership in March 2024, during the state visit of Prime Minister Narendra Modi, marks a new venture of bilateral cooperation in the energy sector. It was mutually agreed that, energy partnership between the carries the potential to benefit both countries. Among the advantages, enhancing energy security, strengthening economies, generating employment, and enhancing export earnings were counted. Along with hydropower, engagement in solar and green hydrogen energy projects was also agreed upon. Another important aspect of the agreement is power exchange and electricity trade between India and Bhutan.

However, the energy cooperation between India and Bhutan is not limited to hydropower only. It is now extended to the renewable energy sector. A Renewable Energy Roundtable on the theme *“Securing Sustainable Future: India-Bhutan Renewable Energy Partnership”* was held on 28 October 2024 in Thimphu, Bhutan. The Roundtable was organized by the Confederation of Indian Industry (CII) in collaboration with Druk Green Power Corporation (DGPC), Bhutan. The remarkable initiative was supported by the Ministry of New & Renewable Energy (MNRE), Government of India; the Ministry of Energy & Natural Resources (MoENR), Royal Government of Bhutan; and the Embassy of India, Thimphu. The five thematic panels covered subject matter ranging from Renewable Energy Scenario and Policy in Bhutan and India, Role of Solar Energy in the Energy Mix, Access to Financing for Renewable Energy Projects, Development of the Hydropower Sector, and Accelerating E-mobility Uptake. The panellists included more than sixty experts, including representatives from the two governments,

regulatory bodies, financial institutions, business leaders from the public and private sectors, and research institutions.

STOP TO CONSIDER:

Electricity trade of Bhutan and India's place in it:

The sale of electricity produces the major part of Bhutan's GDP. Also, it is the major export item of the country, generating a huge amount of export revenue. Even, electricity is a sector where Bhutan enjoys a trade surplus, when Bhutan's economy is experiencing a continuous deficit in all other sectors of foreign trade. Druk Green Power Corporation the authorised company to control the electricity generation plants of Bhutan, is the highest taxpayer in the country.

India and Bhutan have a unique yet complex electricity trade relationship. The trade in hydropower is seasonally reciprocal. India imports electricity from Bhutan during the monsoon, while Bhutan imports from India during the winter season. However, Bhutan enjoys a trade surplus with India in electricity. Bhutan's proposal to import 1100 MW of power from November 2024 to May 2025 for the 2024 lean season has been approved by the Government of India. Additionally, there is a complex market relationship between the countries concerning hydroelectric power. A new modality for export of electricity to India through Indian Power Exchanges was initiated in September 2023. Government of India authorised the 64 MW Basochhu HEP to sell electricity in the Day Ahead Market (DAM) of the Indian Energy Exchange (IEX). Government of India also facilitated the access of Basochhu and Nikachhu HEPs for trading on Day Ahead and Real Time Markets in the Indian Power Exchanges.

CHECK YOUR PROGRESS:

1. Discuss India's cooperation with Bhutan in hydropower sector with reference to major projects.
2. Is India-Bhutan energy cooperation limited to hydroelectric power only? If not identify other areas also?
3. Write short notes on
 - (i) India-Bhutan Renewable Energy Round Table 2024
 - (i) India-Bhutan Electricity Trade

2.6 Development Co-operation

➤ India's Development Approach:

In its foreign policy, the Government of India follows a unique approach to Development Partnership. The approach is guided by values like respect and diversity. India urges a futuristic and sustainable development framework. While many countries and international institutions use to provide assistance to foreign countries, with conditions in terms of structural and political changes, India's development cooperation is not subject to any conditions. Prime Minister Narendra Modi noted that India's development cooperation is based on the priority and comfort of the receiving country. The assistance is aimed at unfolding the potential opportunities for human-centric development. Historically, India's development approach is embedded in its colonial struggle and solidarity with other colonised and developing nations. The philosophical base of the framework is the idea of *Vasudhaivakutumbakam*, that is, 'the world is one family'. The comprehensive model of development cooperation involves multiple instruments. It includes grant-in-aid, line of credit, capacity building and technical assistance, humanitarian assistance and cultural cooperation.

➤ **Development Partnership with Bhutan:**

Bhutan enjoys a unique and close developmental partnership with India. Since the adoption of the First Five-Year Plan by Bhutan, India has been a constant contributor to the Bhutanese economy, assisting in its various sectors, for socio-economic development. Since then, India has been the largest foreign contributor in the five-year plans of Bhutan. India fruitfully provided 4500 Cr Indian Rupees for the 12th Five-Year Plan of Bhutan. The amount got more than doubled to 10,000 Cr Indian Rupees in the current 13th Five-Year Plan. Also, Bhutan is the largest beneficiary of foreign aid allotted in the annual budget of India. Bhutan again topped among the recipients of foreign aids, with an amount of 2150 Cr INR, in the 2025-26 budget of India. The continuity and increase in development assistance to Bhutan easily demonstrate the gravity of the bilateral relations and India's unconditional commitment to the socio-economic development of Bhutan.

India's development assistance to Bhutan can be discussed in four broad categories –

- i. Project Tied Assistance (PTA),
- ii. High Impact Community Development Programme (HICDP),
- iii. Programme Grants and
- iv. Financial Support to the Economic Stimulus Programme (ESP),

The Project Tied Assistance covers the largest portion of the development assistance from India. The projects include the sectors of health, education, agriculture, infrastructure, urbanisation, ICT, technical and vocational training, along with capacity building in areas like sports, judiciary and public service. A total of 83 projects

were successfully undertaken within the framework of Project Tied Assistance. These include Gyaltshen Jetsun Pema Wangchuck Mother and Child Hospital, Jigme Singye Wangchuck School of Law, a Cattle Breeding Centre, significant infrastructure like Diana Kuenphen Bridge, Pangrizampa Bridge, Dhamdum Industrial Park, and Broadcast Infrastructure for High-Definition Service of Bhutan Broadcasting Service, to name only a few. India committed 7,000 Cr INR in Project Tied Assistance in the 13th FYP of Bhutan.

The High Impact Community Development Programme includes short-term developmental projects mainly in areas like drinking water supply networks, irrigation canals, farm roads, basic health units, and other rural infrastructure in the remote areas of Bhutan. 524 High Impact Community Development Projects (HICDP) were undertaken during the 12th FYP, with a grant of 850 Cr INR. For the current 13th FYP of Bhutan, India promised an increased amount of 1,000 INR in short-term development projects.

On the other hand, Programme Grants are the direct budgetary allocation of financial aid, provided by India to Bhutan. It is decided every year during the presentation of the annual budget. Bhutan is the largest recipient of such grants provided by India to foreign countries.

A recent significant development in India's financial cooperation with Bhutan is the Economic Stimulus Programme (ESP). The ESP is a financial programme launched by the Royal Government of Bhutan in May 2024. The programme is fully supported by the Government of India, with an amount of 5000 Cr INR, under the 13th FYP of Bhutan. It aims to revitalise the domestic economy through the measure of monetary assistance from foreign allies, and thereby bring immense improvement in the lives of people. The priority sectors for the above programme are agriculture and livestock, cottage and small industries, tourism, start-ups, skill

development and creative industries. To ensure the effective operation and monitoring of the programme, the Royal Government has created a separate Secretariat.

CHECK YOUR PROGRESS:

1. Identify the four categories of India's development cooperation with Bhutan.
2. What is Economic Stimulus Programme? Briefly explain India's role in it.

STOP TO CONSIDER:

Strategic Implications of Development Cooperation:

India's enduring cooperation with Bhutan has significant strategic implications. The development collaboration is not limited to economic goals. Bhutan enjoys a special position in India's Neighbourhood First Policy framework. Bhutan is prioritised for several reasons. Bhutan serves as a buffer state between China and India. A closer and peaceful relationship with Bhutan helps India to ensure its national security, countering the potential threat from China. Secondly, India assists Bhutan in terms of development, which will make Bhutan's moral obligation to India stronger. A developed and stable Bhutan is crucial for the security of India. Thirdly, the growing presence of China in the South Asian countries has raised serious concerns for India. While neighbouring countries like Nepal, Myanmar, Bangladesh and Sri Lanka are tilted towards China, Bhutan is the only country that is favouring India unconditionally. The interplay of the above-mentioned aspects makes the critical importance for India to be engaged with Bhutan. Development cooperation has been proven to be the most convenient and peaceful instrument to foster bilateral engagement between India and Bhutan.

2.7 Cultural Relations and People-to-People Connection

Cultural relations and people-to-people connections from another important pillar of bilateral India-Bhutan ties. The bond has been nurtured through centuries of religious activities, trade routes and scholarly exchanges.

Buddhism:

Historically, the religious and spiritual ties can be traced back to the spread of Buddhism in the 8th century. Buddhism has served as the instrument of spiritual and cultural bonds between countries, especially the Buddhist schools – Drukpa Kagyu and Nyingma. Indian Buddhist masters like *Guru Padmasambhava* have a distinguished position in the religious tradition of Bhutan.

The spiritual bond contributes to fostering religious tourism. Bodhi Gaya, Rajgir, Nalanda, Sikkim, Udayagiri, Sarnath and other Buddhist sites in India serve as the main tourist destinations for Bhutanese pilgrims to India. On the occasion of the 50th anniversary celebrations of the establishment of diplomatic relations between India and Bhutan, His Holiness the Je Khenpo, the head monk of Bhutan, presided over the Salang, that is ground-breaking ceremony to construct a Bhutanese Lhakhang (temple). India also sponsored a visit by 18 *Lam Netens* (Buddhist monks) and representatives of the Central Monastic Body of Bhutan to India on the same occasion. Significantly, The Zhabdrung Statue has been loaned by the Asiatic Society, Kolkata to the Royal Government of Bhutan. The 250-year-old statue was housed in the Asiatic Society, Kolkata and provided to Bhutan under the framework of cultural cooperation. It is currently on exhibition at the Simtokha Dzong in Bhutan. or *Zhabdrun*, that is Dharma Raja, refers to the great Ngawang Namgyal, a 16th-century Buddhist monk who is believed to be the

founder of the modern nation state of Bhutan. He is a revered figure in Buddhist tradition.

The engaging religious and spiritual exchanges further strengthen the bilateral relations between the countries. It goes beyond mere political, diplomatic or economic cooperation and builds a people-to-people connection between the citizens of both countries. Mutual goodwill and cooperation among the nationals have a long-term impact on perpetual peace and friendship between India and Bhutan.

Cultural Relations:

Both India and Bhutan emphasise fostering their cultural linkage through various instruments and activities. Among the institutional frameworks, the Indian Council of Cultural Research, India Bhutan Foundation and the Nehru-Wangchuk Cultural Centre are crucial in promoting cooperation in the field of culture.

The India-Bhutan Foundation was established jointly by the Royal Government of Bhutan and the Government of India under an agreement signed on August 29, 2003, during the visit of the King of Bhutan to India. The objectives of the foundation are to strengthen people-to-people exchanges through mutually agreed initiatives in the fields of culture, education, science and technology. The foundation regularly arranges programmes like literature festivals, youth summits, and sports championships as joint ventures.

The establishment of the Nehru-Wangchuk Cultural Centre is another significant step in the cultural ties between the countries. The centre was developed as a part of the Cultural Wing of the Embassy of India, in collaboration with the Indian Council for Cultural Relations (ICCR) and the Government of India. The centre

works as an important platform for promoting Indian art, culture and literature in Bhutan. A rich library in the centre contains more than 6000 books ranging from history, art, music and literature, serving as a resource centre for students, researchers and common readers.

Education:

Education is a strong pillar of bilateral engagement between India and Bhutan. The Government of India provides several scholarships to Bhutanese students studying in India. The schemes include the Ambassador's Scholarship, prestigious Nehru Wangchuck Scholarship, Five-Year Plan project-tied assistance-based Undergraduate Scholarship, Nalanda University Scholarship, ICCR Undergraduate Engineering scholarships etc. ICCR, AYUSH, BIMSTEC and SAARC scholarships have also been provided to Bhutanese students for educational and vocational advancement of the country. Seats are specially reserved for Bhutanese students in the IIT Kanpur and St Stephen's College, under a mutual understanding.

India has a major role in the capacity-building initiatives in Bhutan. Under the Indian Technical and Economic Cooperation program, training is provided to Bhutanese nationals, covering a wide range of areas from science, technology to vocational skills. More than 3,000 Bhutanese nationals have availed various ITEC training programs in India in the last decade. Also, India is continuously assisting capacity-building programmes in Bhutan by providing human resources, in addition to monetary assistance. In recent years, science, technology, engineering and mathematics teachers have

been recruited by the Royal Government of Bhutan, from India, in partnership with the Indian government.

SELF-ASKING QUESTION:

Q.1 “The contemporary relation between India and Bhutan is shaped by their interactions and engagement during the colonial period.” Do you agree with the statement? Justify your answer. (80 words)

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2.8 Emerging New Areas of Cooperation

Space:

Beyond the traditional, there are several newly emerging areas of cooperation between India and Bhutan. Those areas include space technology, digitalisation of transactions and economy, environmental cooperation, and collaboration in the digitalisation of education. Space cooperation is a new venture of bilateral cooperation. The Ground Earth Station of the South Asia Satellite in Thimphu was jointly inaugurated by Prime Minister Narendra Modi and Prime Minister Dr. Lotay Tshering on 17 August 2019. The India-Bhutan SAT, the first satellite jointly developed by India and Bhutan, was launched on 26 November 2022 from ISRO’s Satish Dhawan Space Centre at Sriharikota, marking a landmark development of Bhutan in space. The Government of India has provided capacity-building opportunities to Bhutanese engineers for the India-Bhutan SAT project.

Environment and Climate Change:

There has been growing collaboration between India and Bhutan concerning the environment and climate change. As an initial step,

the 1st India-Bhutan Joint Working Group meeting on Environment was held in Thimphu on 21 October 2024. Wide-ranging discussions expanded on bilateral cooperation in the environment and climate change took place in the meeting. It was focused on creating institutional linkages for and strengthening bilateral partnerships in areas of biodiversity preservation and waste management. A growing collaboration in the field of environment has paramount importance for the sustainable development and human security of both countries.

Digitalisation of Economy:

India is playing a pivotal role in the development of digital payment methods in Bhutan. The RuPay Card was introduced in Bhutan in two stages. Phase I began in 2019, which allowed payments to be made in Bhutan with RuPay cards that were issued by Indian banks. In 2020, Phase II was introduced to allow RuPay cards produced by Bhutanese banks to be accepted as payment methods in India. The steps enable the full interoperability of the flagship project in financial transactions, smoothing the transaction process between the countries. India's Bharat Interface for Money (BHIM) software was introduced in Bhutan in 2021 to encourage cashless and transparent payment between India and Bhutan. Technical integrations are in progress for the complete operability of Bhutanese QR codes in Indian UPI software.

Along with the above-discussed areas of cooperation, there are several other initiatives going on. One important collaboration in the field of e-learning is the integration of India's National Knowledge Network with Bhutan's Druk Research and Education Network. This integration establishes an information highway between the two countries. It will positively contribute to universities, research

facilities, libraries, healthcare systems, and agricultural establishments.

CHECK YOUR PROGRESS:

1. Critically examine India's development partnership approach in the context of India-Bhutan development cooperation. Do you think it is an economic burden for India? Justify your answer.
2. How do the various aspects of cultural and people-to-people exchanges between India and Bhutan contribute to the soft power of India?
3. Examine the newly emerging areas of cooperation between India and Bhutan. Discuss its implications for both countries.
4. How do the treaties and agreements serve as the framework of formal bilateral relations? Discuss with special reference to the Treaty of Perpetual Peace and Friendship between India and Bhutan.
5. How do the high-level visits work as a hallmark of India-Bhutan relations? Discuss.
6. Explain India's Energy cooperation with Bhutan. Highlight hydropower cooperation.
7. Discuss the development partnership between India and Bhutan. Does it have some strategic implications? Justify.
8. Write a note on India's cultural, educational and people-to-people connections with Bhutan. Highlight some other emerging areas of cooperation between the countries.

2.9 Summing Up

The bilateral relations between India and Bhutan demonstrate considerable resilience and growth. However, it must be noted that

the relation is not beyond challenges. Bhutan's strategic location, nestled between India and China, demands an act of delicate balancing in foreign policy. The complexity of the trilateral juncture between India, China and Bhutan is evident from the Doklam standoff of 2017. The incident raised serious security concerns for both India and Bhutan. Secondly, China's growing presence in the South Asian countries in terms of economic assistance and infrastructure development is an emerging concern for India. While most of the neighbours are tilted towards China, India must have to conduct a sensitive foreign policy to keep Bhutan in its favour. The third challenge of India-Bhutan relations is the economic overdependence of Bhutan on India. The Bhutanese economy is highly dependent on India's aid and grants. Also, Bhutan has a huge trade deficit with India due to its huge import dependency. The economic dependency has negative impacts on both countries. India is over-burdened with the responsibility of the development of Bhutan. On the other hand, Bhutan's independence and autonomy in terms of economic relations and development comes under question.

Despite challenges, the prospect of India-Bhutan relations is positive. Firstly, the changing model of governance in Bhutan towards greater democratisation provides new opportunities for engagement. The two democracies have much potential to flourish together. Secondly, extended and deeper cooperation in areas like digital technology, cyber security along with environment and renewable energy can take the countries to a new stage of mutual development. Thirdly, growing cooperation in education, research and capacity building carries the potential for long-term and sustainable human development in the countries.

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UNIT: 3

INDIA AND MALDIVES

Unit Structure

- 3.1 Introduction
- 3.2 Objective
- 3.3 Strategic Significance of the Maldives for India
- 3.4 Historical Context of India-Maldives Relations
- 3.5 India- Maldives Relations
- 3.6 Key MoUs Between India and the Maldives
- 3. 7 Joint Projects in Maldives
- 3.8 2024 India-Maldives diplomatic row
- 3.9 Recent visits and Outcome
- 3.10 Challenges in the India-Maldives Bilateral Relationship
- 3.11 Strengthening India-Maldives Bilateral Relations: The Way Forward
- 3.12 Summing Up
- 3.13 References and Suggested Readings

3.1 Introduction

India and the Maldives have long-standing ethnic, linguistic, cultural, religious, and commercial ties that date back to antiquity. Their relationship has been characterized by closeness, cordiality, and multidimensional engagement. India was among the first nations to recognize the Maldives' independence in 1965 and promptly established diplomatic relations with the island nation.

The Maldives' geographical proximity to India—just 70 nautical miles from Minicoy and 300 nautical miles from India's western

coast—coupled with its strategic location along key maritime trade routes in the Indian Ocean, particularly the 8° N and 1½° N channels, makes it highly significant for India’s strategic interests. India holds a dominant position in its relations with the Maldives, with cooperation spanning numerous sectors. Recognized as a net security provider, India plays a crucial role in maintaining stability in the Maldives, which aligns with its "Neighbourhood First" policy aimed at ensuring peace and prosperity in the Indian Ocean Region (IOR). Both nations are also pivotal in upholding the security of the IOR, reinforcing India's SAGAR (Security and Growth for All in the Region) vision. The bilateral relationship remains free from major political disputes. A past claim by the Maldives over Minicoy Island was settled through the 1976 Maritime Boundary Treaty, in which the Maldives formally acknowledged Minicoy as an integral part of India. India’s swift response to the 1988 coup attempt in the Maldives fostered mutual trust and strengthened long-term diplomatic ties. The subsequent withdrawal of Indian troops once stability was restored alleviated concerns about any intentions of dominance or territorial ambitions, further solidifying the foundation of friendly relations between the two nations.

India was the first to extend assistance to the Maldives during the 2004 tsunami and the water crisis in Malé in December 2014. These events, along with India's intervention during the 1988 coup attempt, underscored the advantages of its geographical proximity and ability to provide timely support in times of crisis. The Maldivian government and its people have widely recognized India's role as a reliable partner in times of distress. Further strengthening this reputation, India swiftly supplied 30,000 doses of the measles vaccine in January 2020 to prevent an outbreak and provided extensive aid to the Maldives during the COVID-19 pandemic, reaffirming its position as the “first responder.”

3.2 Objectives

After going through this unit you will be able to know that—

- *examine* historical relationship between India and Maldives;
- *analyse* different aspects of India and Maldives relations;
- *discuss* the challenges in India and Maldives relations.

3.3 Strategic Significance of the Maldives for India

Geopolitical: Maldives plays a crucial role in India's Neighbourhood First Policy (NFP) and SAGAR (Security and Growth for All in the Region) due to its strategic location.

Strategic: Positioned like a 'toll gate' between the western Indian Ocean chokepoints (Gulf of Aden and Strait of Hormuz) and the eastern Indian Ocean chokepoint (Strait of Malacca), Maldives holds significant strategic value. Located along vital Indian Ocean shipping routes, it is key to India's efforts in ensuring freedom of navigation, regional security, and stability.

Geo-economics: Maldives lies along major commercial Sea Lines of Communication (SLOCs). Nearly 50% of India's external trade and 80% of its energy imports pass through SLOCs near the Maldives. Additionally, India became Maldives' largest trade partner in 2023, with bilateral trade nearing \$1 billion.

Security: The Maldives play a vital role in maintaining regional political stability and security, particularly in safeguarding Indian investments and trade interests. Both India and the Maldives share a mutual responsibility in ensuring stability in the Indian Ocean. India also seeks the Maldives' alignment with the Quad's Indo-Pacific strategy, which includes India, the US, Japan, and Australia.

Economic: Despite its small size, the Maldives has attracted interest from both developed and developing nations due to its strategic location along key international shipping lanes (ISLs). The Indian Ocean serves as a crucial corridor for global trade and energy transportation. Positioned between the Strait of Malacca and the Gulf of Aden—two significant maritime chokepoints—the Maldives acts as a pivotal “toll gate” in the region. Additionally, sustainable management of marine resources is essential for India’s success in the blue economy.

Global Support: The Maldives has endorsed India’s bid for permanent membership in the UN Security Council and supported its candidature for a non-permanent seat in 2020-21. Both nations are members of the Commonwealth and have collaborated in global forums such as the Non-Aligned Movement (NAM).

Counterterrorism Operations: The Maldives actively supports India in counterterrorism initiatives, as radical influences remain strong within the island nation. India and the Maldives engage in extensive defense cooperation and counterterrorism efforts. Their Joint Working Group on Counterterrorism, Countering Violent Extremism, and Deradicalization brings together officials from both sides to strengthen security measures.

3.4 Historical Context of India-Maldives Relations

The relationship between India and the Maldives has been shaped by centuries of cultural, economic, and political interactions. The geographical proximity of the two nations, with the Maldives lying about 70 nautical miles from Minicoy (Lakshadweep, India), has facilitated extensive historical exchanges. From early trade and cultural ties to colonial experiences and contemporary strategic

engagements, India-Maldives relations have evolved significantly over time.

➤ **Ancient and Medieval Interactions**

Early Trade and Cultural Exchanges:

Trade between India and the Maldives dates back to ancient times. The Maldives, located strategically in the Indian Ocean, served as a key point in maritime trade routes linking the Indian subcontinent with the Middle East, Africa, and Southeast Asia. Maldivians traded cowrie shells, dried fish, and coconuts, while Indian traders supplied rice, textiles, and other essential goods. The influence of Indian culture is evident in the Maldivian language, Dhivehi, which has strong linguistic ties to Sanskrit and Prakrit, linking it to the Indo-Aryan language family.

Spread of Buddhism:

Buddhism was introduced to the Maldives from the Indian subcontinent around the 3rd century BCE, likely through the influence of Emperor Ashoka's missions. The Maldives remained a Buddhist kingdom for over a thousand years, with archaeological evidence of stupas, monastic sites, and inscriptions confirming strong Indian cultural influences.

Islamization and Continued Indian Influence:

Islam was introduced to the Maldives in the 12th century CE, when a North African or Persian missionary, Abu al-Barakat Yusuf al-Barbari, is said to have converted the ruling king. Despite this transformation, historical connections with India remained strong. Trade links with South Indian ports, particularly those in Kerala and Tamil Nadu, continued to flourish.

➤ Colonial and Post-Colonial Interactions

Portuguese and Dutch Incursions:

European colonial powers, particularly the Portuguese, briefly occupied the Maldives in the 16th century. The Maldivians, with possible tacit support from Indian rulers, ousted the Portuguese in 1573 under the leadership of Sultan Muhammad Thakurufaanu. The Dutch later exerted influence over the Maldives, using their stronghold in Sri Lanka to oversee regional trade.

British Protectorate (1887–1965):

By the 19th century, the British established a protectorate over the Maldives, similar to their control over India. During this period, economic and administrative interactions between India and the Maldives intensified. Indian traders, particularly those from Kerala and Gujarat, played a crucial role in supplying essential goods to the Maldives.

Independence and Initial Relations:

The Maldives gained independence from British rule in 1965, just 18 years after India's independence. Given their historical ties, India was one of the first countries to recognize Maldivian sovereignty and establish diplomatic relations.

CHECK YOUR PROGRESS

Q.1: Discuss about the strategic significance of Maldives for India.

Q.2: Analyse the historical context of India- Maldives relations.

3.5 India- Maldives Partnerships

Bilateral Agreements and Strategic Partnerships:

- **1976 Maritime Treaty-** In December 1976, India and the Maldives signed a maritime boundary treaty to formally

delineate their respective maritime boundaries. This agreement explicitly recognized Minicoy as part of India. The demarcation was settled amicably between the two nations. However, in 1982, a minor diplomatic misunderstanding arose when Abdulla Hameed, the brother of Maldivian President Maumoon Abdul Gayoom, delivered a speech that India interpreted as a claim over Minicoy Island. The Maldives promptly clarified that no such territorial claim was being made, stating that Hameed was merely referring to the cultural ties between the Maldives and Minicoy.

- **1981 Comprehensive Trade Agreement-** India and the Maldives signed a comprehensive trade agreement in 1981, fostering stronger economic cooperation. Both countries are founding members of the South Asian Association for Regional Cooperation (SAARC), the South Asian Economic Union, and signatories to the South Asia Free Trade Agreement (SAFTA). Regular high-level discussions between Indian and Maldivian leaders have helped strengthen their economic and regional cooperation.

Economic and Commercial Relations:

Following the success of Operation Cactus, India-Maldives relations have deepened considerably. India has provided substantial economic assistance and collaborated on various bilateral development initiatives, including infrastructure, healthcare, telecommunications, and workforce development. Notably, India established the Indira Gandhi Memorial Hospital in Malé, improved air and telecommunication links, and expanded scholarship opportunities for Maldivian students. In 2006, India's exports to the

Maldives were valued at approximately ₹384 crore, while imports stood at less than ₹6 crore. The State Bank of India has also contributed over \$500 million toward the economic development of the Maldives. Additionally, both nations have outlined plans to jointly expand fisheries and tuna processing industries, further enhancing their economic partnership.

Military Relations:

In April 2006, the Indian Navy gifted a Trinkat- Class Fast Attack Craft of 46 m length to the Maldives National Defence Force's Coast Guard.

India started the process to bring the island country into India's security grid. The move comes after the moderate Islamic nation approached New Delhi earlier in 2009, over fears that one of its island resorts could be taken over by terrorists given its lack of military assets and surveillance capabilities. India has also signed an agreement which includes following-

- India will permanently base two helicopters in the country to enhance its surveillance capabilities and ability to respond swiftly to threats.
- Maldives has coastal radars on only two of its 26 atolls. India will help set up radars on all 26 for seamless coverage of approaching vessels and aircraft.
- The coastal radar chain in Maldives will be networked with the Indian coastal radar system. India has already undertaken a project to install radars along its entire coastline. The radar chains of the two countries will be interlinked and a central control room in India's Coastal Command will get a seamless radar picture.

- The Indian Coast Guard (ICG) will carry out regular Dornier sorties over the island nation to look out for suspicious movements or vessels. The Southern Naval Command will overlook the inclusion of Maldives into the Indian security grid.
- Military teams from Maldives will visit the tri-services Andaman Nicobar Command (ANC) to observe how India manages security and surveillance of the critical island chain.
- Ekuverin, an annual joint military exercise is held every year since 2009 between India and Maldives. The exercise aims to enhance the interoperability between the Indian Army and Maldives National Defence Force in order to effectively undertake counter-terrorism operations in urban or semi-urban environments.

Key Joint Military Exercises:

- Exercise **EKUPERIN**: A bilateral annual military exercise between the Indian Army and MNDF aimed at enhancing interoperability and counterterrorism capabilities.
- Exercise **DOSTI**: A trilateral coast guard exercise involving India, the Maldives, and Sri Lanka, focusing on maritime security, anti-piracy operations, and humanitarian assistance.
- Exercise **SHIELD**: Focused on countering narcotics smuggling and strengthening maritime law enforcement.

Operations and Events:

- *1988 Maldives coup d'état attempt*- The 1988 Maldives coup d'état attempt was initiated by a group of Maldivians led by businessman Abdullah Luthufi and assisted by armed mercenaries of a Tamil secessionist organisation from Sri Lanka, the People's Liberation Organisation of Tamil Eelam,

to overthrow the government in the island republic of Maldives. The mercenaries quickly gained control of the capital, including the major government buildings, airport, port, television and radio stations. The intervention by the Indian Armed Forces, codenamed Operation Cactus, defeated the attempted coup. The Indian paratroopers immediately secured the airfield, crossed over to Malé using commandeered boats and rescued President Gayoom. The paratroopers restored control of the capital to President Gayoom's government within hours. Some of the mercenaries fled toward Sri Lanka in a hijacked freighter. Those unable to reach the ship in time were quickly rounded up and handed over to the Maldives government. Nineteen people reportedly died in the fighting, most of them mercenaries. The dead included two hostages killed by the mercenaries. The Indian Navy frigates Godavari and Betwa intercepted the freighter off the Sri Lankan coast, and captured the mercenaries. The swift intervention by the Indian military and accurate intelligence successfully quelled the attempted coup d'état.[12]

- ***2014 Malé Water Shortage Crisis (MWSC)***- In the wake of a drinking water crisis in Malé on 4 December 2014, following collapse of the island's only water treatment plant, Maldives urged India for immediate help. India came to rescue by initiating Operation Neer sending its heavy lift transporters like C-17 Globemaster III, Il-76 carrying bottled water. The Indian Navy also sent her ships like INS Sukanya, INS Deepak and others which can produce fresh water using their onboard desalination plants. The humanitarian relief efforts by the Indian side was widely

appreciated in Malé across all sections of people, with the Vice-President of Maldives thanking the Indian ambassador for swift action.

- **2011–2015 Maldives political crisis-** Maldives' first democratically elected president from 2008 to 2012, Mohammed Nasheed, was arrested on 22 February 2015 on terror charges. India and US expressed concern over Nasheed's arrest and manhandling.

- **2020 COVID-19 crisis-** During the COVID-19 crisis of 2020, India extended help to Maldives in the form of financial, material and logistical support. In April 2020, India provided \$150 million currency swap support to help Maldives mitigate the financial impact of COVID-19. Also in April, at the request of the Maldivian government, the Indian Air Force airlifted 6.2 tonnes of essential medicines and hospital consumables to Maldives, as part of 'Operation Sanjeevani'. These supplies had been procured by Maldives's State Trading Organisation from suppliers in India, but could not be transported due to the COVID-19 lockdown. India had also earlier despatched a medical team with essential medicines to help Maldives fight the COVID outbreak as well as supplied essential food grains and edibles despite logistical challenges in wake of lockdown. This operation was called Operation Sanjeevani.

People-to-People Ties:

One of the strongest pillars of India-Maldives relations is the deep-rooted people-to-people connections. Cultural affinities, historical

linkages, and frequent social exchanges have played a significant role in strengthening bilateral ties.

Tourism and Travel: India is one of the top sources of tourists for the Maldives, contributing significantly to the island nation's economy. The introduction of direct flights and visa-free travel arrangements has facilitated ease of movement between the two countries, boosting tourism and cultural interactions.

Education and Scholarships: Many Maldivian students pursue higher education in Indian institutions under various scholarship programs offered by the Indian government. Institutions such as Jawaharlal Nehru University (JNU) and Delhi University have been popular choices among Maldivian students.

Healthcare and Medical Assistance: India has been the primary healthcare destination for Maldivians seeking specialized medical treatments. Hospitals in cities like Chennai and Bangalore have treated thousands of Maldivian patients over the years. The Indian government also provides medical visas to Maldivian citizens for healthcare needs.

Cultural and Religious Ties: The Maldives shares cultural and religious affinities with India, particularly with the southern states of Kerala and Tamil Nadu. Traditional Maldivian music, dance, and cuisine bear influences from India. India has also organized cultural festivals and exchange programs to foster mutual understanding.

Diaspora and Workforce: Many Maldivians work in India, while a significant number of Indian professionals, including teachers, doctors, and engineers, contribute to the Maldivian economy. The Indian community in the Maldives plays a crucial role in various sectors, reinforcing people-to-people engagement.

3.6 Key MoUs Between India and the Maldives

In July 2022, the Indian cabinet approved an MoU on Judicial Cooperation with the Maldives, aimed at expediting court digitization while enhancing opportunities for IT companies and start-ups in both nations.

Additionally, in November 2020, India and the Maldives signed four MoUs:

- Two agreements for high-impact community development projects.
- An MoU on collaboration in sports and youth affairs.
- A grant agreement for \$100 million as part of India's \$500 million package for the Greater Malé Connectivity Project (GMCP).

Other significant MoUs between the two nations include:

- Cooperation in Hydrography (2019).
- Partnership in the Health sector (2019).
- Establishment of Passenger-cum-Cargo Sea services (2019).
- Capacity-building collaboration in Customs (2019).
- Agreement between the Maldives Civil Service Commission and India's National Centre for Good Governance (NCGG) (2024).
- A Technical Agreement for White Shipping Information exchange between the Indian Navy and the Maldives National Defence Force (MNDF) (2019).

3.7 Joint Projects in Maldives

- ***Uthuru Thila Falhu Naval Base Harbour-*** India extended a \$50 million line of credit to Maldives for defense projects,

mainly for the development, support and maintenance of the harbour of the Uthuru Thila Falhu Naval Base.

➤ ***Greater Malé Connectivity Project-*** In 2021, the Maldivian Ministry of National Planning, Housing and Infrastructure signed a \$500 million infrastructure project for a 6.7 km bridge & causeway link with the Indian engineering company AFCONS. The 6.74-km bridge and causeway link will connect the capital of Malé with the islands of Villingili, Gulhifalhu and Thilafushi. It is being funded through a grant of \$100 million and a line of credit of \$400 million from India, and will boost connectivity between the four islands that account for almost half of the Maldivian population. India's engagement in the Maldives encompasses various infrastructure initiatives, such as the Greater Malé Connectivity Project.

➤ ***Water and sanitation projects-*** In 2024, President Mohamed Muizzu and Indian Minister of External Affairs S. Jaishankar jointly inaugurated water and sanitation projects in 28 islands. This initiative aimed to provide access to safe drinking water, benefiting 32 islands, and to introduce sewerage systems in 17 islands.[33] The project impacted the lives of over 28,000 Maldivians. With a total funding of \$100 million, it represented the largest climate adaptation effort implemented in the Maldives through international collaboration.[34][35]

Bilateral Assistance:

India has consistently extended its support to the Maldives in its developmental journey whenever possible. Some of the key projects undertaken by India include:

- ***Indira Gandhi Memorial Hospital (IGMH)***: During the visit of former Prime Minister Rajiv Gandhi to Malé in 1986, an agreement was reached to establish a medical complex in Malé with Indian assistance. As a result, a 200-bed hospital was built at an estimated cost of ₹42.5 crores and inaugurated in April 1995. IGMH now stands as the most advanced tertiary care hospital in the Maldives and is a prominent symbol of India's assistance. Though the hospital is presently managed by the Maldivian government, India continues to provide significant support to the institution.

- ***Faculty of Engineering Technology (FET)***: The Maldives Institute of Technical Education (MITE) was established in 1996 as a grant-in-aid project of the Indian government. With a capacity to train at least 200 students annually in various technical and vocational disciplines, the institute was later renamed as the Faculty of Engineering Technology (FET) to better reflect its academic programs. The institution continues to function effectively.

Disaster-Relief Assistance:

In response to the tsunami that struck the Maldives on December 26, 2004, India was the first country to dispatch aid. A Coast Guard Dornier aircraft arrived on December 27, followed by two Indian Air Force Avro aircraft carrying relief supplies on the same day. These aircraft remained in the Maldives to assist in ongoing relief

operations. On December 28, INS Mysore arrived with relief materials, a 20-bed hospital facility, and two helicopters. It was joined by INS Udaygiri and INS Aditya on December 29, with operations focusing on the worst-affected Southern Atolls. The Indian naval ships provided food and medicine, treated patients at a field hospital set up by onboard medical personnel, repaired power generators and communication systems, and evacuated patients using shipborne helicopters when necessary. The total cost of India's relief operations was estimated at ₹36.39 crores. Additionally, in response to a request from President Gayoom for financial assistance due to the economic impact of the tsunami, the Indian government sanctioned ₹10 crores in budgetary support to the Maldives in 2005.

Economic Assistance:

During Maldivian President Mohamed Nasheed's visit to India in December 2008, India extended a Standby Credit Facility of \$100 million to the Maldives. Another Standby Credit Facility of \$100 million was granted during Prime Minister Dr. Manmohan Singh's visit to the Maldives in November 2011.

Military Assistance:

In the early hours of November 1988, speedboats carrying 80 armed militants from the People's Liberation Organisation of Tamil Eelam (PLOTE) landed in the Maldives, attempting a coup d'état with the help of local defectors. The coup, orchestrated in Sri Lanka, was believed to be an effort by a Maldivian businessman and politician opposed to President Maumoon Abdul Gayoom's regime to seize power, while PLOTE sought a base for its activities. Analysts view the coup attempt as a consequence of the spillover from Sri Lanka's

civil war. The insurgents managed to seize control of Malé's airport but failed to capture President Gayoom, who managed to escape with the help of his loyal guards. On November 3, he requested military assistance from India. In response, Prime Minister Rajiv Gandhi ordered the deployment of 1,600 Indian troops. Within 12 hours, Indian forces launched Operation Cactus, swiftly crushing the coup attempt and restoring full control over the Maldives within hours. The operation resulted in 19 PLOTE militants being killed and one Indian soldier sustaining injuries. India's intervention received widespread international support, with endorsements from the United States, the Soviet Union, the United Kingdom, and neighboring countries such as Nepal and Bangladesh.

CHECK YOUR PROGRESS:

Q.1: Discuss the role of bilateral agreements in strengthening the strategic partnership between India and the Maldives.

Q.2: Discuss about the key MoUs signed between India and the Maldives.

3.8 2024 India-Maldives Diplomatic Row

In January 2024, tensions arose between India and the Maldives—two historically close neighbours with deep cultural ties—following derogatory comments made by Maldivian cabinet ministers. These remarks, perceived as racist towards Indian Prime Minister Narendra Modi and India in general, led to a public outcry in India, with calls to boycott tourism to the Maldives. Additionally, the diplomatic dispute had severe consequences, including the tragic death of a young Maldivian teenager. His family's request for an air

ambulance transfer to India for urgent medical treatment was reportedly denied by Maldivian authorities.

Background:

The 2023 Maldivian presidential election resulted in Mohamed Muizzu's victory. A central issue in the campaign was the Maldives' diplomatic stance towards India and China. The incumbent, Ibrahim Mohamed Solih, had pursued an "India-first" policy to strengthen ties with India, the Maldives' closest geographical and cultural partner. In contrast, Muizzu campaigned on the "India Out" slogan, advocating for the removal of Indian military personnel from the country while seeking stronger relations with China. This approach mirrored that of former President Abdulla Yameen, under whose leadership the Maldives became a participant in China's Belt and Road Initiative.

Muizzu won the presidency in the second round with 54.04% of the vote, defeating Solih, who secured 46.04%. He was officially sworn in on November 17, 2023. Following his election, Chinese President Xi Jinping extended his congratulations, while Indian Prime Minister Narendra Modi also conveyed his good wishes for the Maldives' democracy, peace, and prosperity.

Controversial Remarks:

In January, Indian Prime Minister Narendra Modi visited Lakshadweep, a union territory in the Indian Ocean, and shared images of the islands on Instagram as part of an initiative to promote tourism and development. This sparked interest among Indian social media users, who began comparing the Maldives—a popular vacation destination for Indians—with Lakshadweep.

In response, Zahid Rameez, a member of the Progressive Party of Maldives, accused India of imitating smaller economies like Sri Lanka and dismissed the idea that India could match the Maldives in service and cleanliness. His comments fueled an online movement in India calling for a boycott of Maldivian tourism.

On January 7, three Maldivian deputy ministers—Malsha Shareef, Mariyam Shiuna, and Abdulla Mahzoom Majid—posted derogatory and racially insensitive remarks about Modi and Indians on social media. The backlash in India was swift, prompting the Indian High Commission in the Maldives to intervene. The Maldivian government, under President Muizzu, quickly distanced itself from the controversy by suspending the ministers and clarifying that their comments did not represent official policy. On the same day, the Maldivian government released a statement condemning the remarks, reaffirming its commitment to maintaining strong relations with India. The statement emphasized that the opinions expressed were personal and not reflective of the government's official stance. It also highlighted the importance of responsible free speech and suggested that appropriate action could be taken against those responsible.

In April, Mariyam Shiuna reignited tensions by posting a mocking tweet about the Indian flag. After facing significant backlash, she later issued an apology.

Reaction:

India:

The statements made by Maldivian ministers sparked significant outrage in India, leading to numerous people cancelling their planned trips to the island nation. The hashtag "#BoycottMaldives"

quickly gained traction on social media. Opposition leader and politician Sharad Pawar remarked, "He is the Prime Minister of our country, and if any individual from another nation, regardless of their position, makes such remarks about our PM, we will not tolerate it. The Prime Minister's position must be respected. We will not accept any comments against the Prime Minister from outside the country." In the first four months of 2024, the number of Indian tourists visiting the Maldives dropped by 42% compared to the same period in 2023.

Maldives:

Former President Mohamed Nasheed conveyed, "The people of the Maldives are sorry; we regret that this incident occurred." He also emphasized his hope that Indian tourists would continue to visit the Maldives during their holidays and reassured that the situation would not impact the nation's hospitality. Additionally, he urged the government to work towards resolving the dispute with India.

Rise in Tensions:

On 7 January, 2024, Muizzu arrived in China following an invitation from President Xi Jinping. As a pro-China candidate, Muizzu centered his presidential campaign on diminishing India's influence in Maldivian affairs. Analysts have described him as being aligned with China. On 13 January, during an interview after returning from China, Muizzu asserted: "We, our country may be small. But that does not give you the license to bully us!"

In interviews conducted before assuming office, Muizzu declared that all Indian troops should depart from the Maldives. According to the Maldivian Defense Ministry, as of 2023, approximately 90 Indian personnel were stationed in the country, operating Indian-provided aircraft. Following his state visit to China, Muizzu called for India to withdraw its troops by 10 May, 2024, linking the issue

to the Maldives' sovereignty. He interpreted India's delay in troop withdrawal as a sign of disrespect towards Maldivian democracy. After the second India-Maldives high-level core group meeting, Malé confirmed that India would replace its military personnel involved in managing its base in the Maldives. India, on the other hand, stated that both sides had agreed on a set of "Mutually Workable Solutions." On 6 May, 2024 the Maldivian government announced that 51 Indian soldiers had been repatriated to India. By 10 May, 2024, the final batch of Indian soldiers stationed in the Maldives had also been repatriated. On 9 May, 2024, Indian Ministry of External Affairs (MEA) spokesperson Randhir Jaiswal announced a diplomatic meeting between Indian Foreign Minister S. Jaishankar and his Maldivian counterpart, Zameer. He also confirmed that "competent Indian technical personnel" would be appointed to replace the Indian troops. These personnel play a crucial role in operating Indian aviation platforms, which are essential for evacuation, humanitarian aid, and disaster relief operations in the Maldives.

This decision was reaffirmed by Maldivian Minister of Foreign Affairs Moosa Zameer on 11 May, who stated that 78 Indian military personnel would be substituted with civilian employees from Hindustan Aeronautics Limited to continue operating the Indian aviation platforms gifted to the Maldives. Later, the Maldivian defense minister acknowledged that the country's defense forces were still not adequately equipped to fly the aircraft donated by India.

3.9 Recent visits and Outcome

The President of the Maldives undertook his first bilateral state visit to India after securing victory in last year's presidential elections

from October 6 – 10, 2024. However, Muizzu had earlier visited India in June 2024 to attend the swearing-in ceremony of PM Narendra Modi. This visit marked an important step in strengthening diplomatic and economic ties between the two nations.

Key Outcomes of the Visit:

During the visit, both nations announced the adoption of a Comprehensive Economic and Maritime Security Partnership, which encompasses various areas of cooperation:

- ***Development Cooperation-*** India reaffirmed its support for the timely completion of major infrastructure projects, particularly the Greater Malé Connectivity Project.
- ***Trade and Economic Cooperation-*** The two countries agreed to initiate discussions on a Bilateral Free Trade Agreement (FTA) to enhance economic engagement. A significant step was taken towards reducing dependency on foreign currencies by operationalizing trade transactions in local currencies.
- ***Digital and Financial Initiatives-*** The launch of the RuPay card in the Maldives is expected to improve payment systems, making transactions easier for Indian tourists visiting the country.
- ***Health Cooperation-*** Both sides committed to working towards the recognition of the Indian pharmacopoeia by Maldivian authorities. Plans were announced for the establishment of India-Maldives Jan Aushadhi Kendras, which would enhance access to affordable medicines across the Maldives.

- **Currency Swap Agreement (CSA)**- India and the Maldives signed a Currency Swap Agreement (CSA) under the SAARC Currency Swap Framework 2024-27. This agreement aims to help the Maldives manage its foreign exchange reserves more efficiently. CSA functions as a financial arrangement where two parties exchange specific currencies at a predetermined rate and later reverse the exchange at an agreed-upon rate on a fixed future date.
- **Infrastructure Developments**- Several infrastructure projects received a boost during the visit: The inauguration of a new runway at Hanimaadhoo International Airport, which will enhance air connectivity. India extended its support for the development of a new commercial port in Thilafushi, which is expected to strengthen trade and logistics.

Overall, the visit reinforced India-Maldives relations by expanding cooperation in trade, finance, health, and infrastructure while also enhancing maritime security and economic collaboration.

SELF-ASKING QUESTION:

Q.1: How do the cultural and historical ties influence India-Maldives relationship in the present times. (80 words)

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3.10 Challenges in the India-Maldives Bilateral Relationship

Expanding Chinese Influence:

China's growing presence in the Maldives, particularly through the Belt and Road Initiative (BRI) and the broader 'String of Pearls'

strategy, has become a point of concern for India. Beijing has significantly invested in Maldivian infrastructure, enhancing its strategic position in the Indian Ocean region. Projects such as the Sinamale Bridge, which connects Malé to surrounding islands, and agreements for military assistance highlight China's increasing engagement. These developments are viewed by New Delhi as efforts to shift the regional balance of power, potentially undermining India's traditional influence in the Maldives.

Rising Radicalisation:

The Maldives has witnessed a surge in radical Islamist ideologies, with extremist groups gaining a foothold. Organizations backed by Pakistan-based jihadist networks and transnational terrorist outfits like the Islamic State (IS) have been linked to growing radical elements in the country. India perceives this trend as a security threat, fearing that Maldivian territory could be exploited as a base for terrorist activities targeting Indian interests. Given the close geographical proximity between the two nations, the potential for extremist groups to use the Maldives as a launching point for attacks raises serious concerns for Indian security agencies.

Strengthening Anti-India Sentiments:

Under the current Maldivian administration, anti-India rhetoric has intensified. The demand for the withdrawal of Indian military personnel and assets, including helicopters stationed in the Maldives for emergency operations, reflects a shift in the country's political stance. Additionally, efforts to curb Indian infrastructure projects and the rise of the 'India Out' campaign indicate growing resistance to New Delhi's influence. These developments have strained bilateral ties, as sections of the Maldivian political landscape seek to reduce India's role in the island nation's affairs.

Transparency Issues and Misunderstandings:

A lack of transparency in past agreements between India and the Maldives has fueled public suspicion and criticism, particularly from Maldivian media outlets. Several projects and security arrangements signed under previous governments have been questioned, leading to allegations of secretive dealings. The growing perception that these agreements lack clarity has further contributed to misunderstandings between the two nations.

3.11 Strengthening India-Maldives Bilateral Relations: The Way Forward

India and the Maldives share a long-standing relationship rooted in historical, cultural, and geographical ties. However, recent political shifts and strategic competition in the Indian Ocean region necessitate a recalibration of India's approach to strengthening its engagement with the island nation. Several key areas must be prioritized to reinforce bilateral ties and counterbalance external influences, particularly from China.

Expediting Cooperation and Infrastructure Development:

A crucial aspect of India-Maldives relations is infrastructure development, which plays a significant role in shaping public perception and strategic influence. India must accelerate its ongoing projects, ensuring their timely completion to provide a credible alternative to Chinese-funded initiatives. For instance, the Greater Malé Connectivity Project (GMCP) is a flagship initiative that can significantly enhance connectivity within the Maldives. Any delay in its execution could erode India's credibility and give China an advantage in expanding its influence through its Belt and Road Initiative (BRI). Therefore, India must streamline project implementation and improve efficiency in delivering commitments.

Expanding Economic Assistance:

Financial support remains a vital instrument of diplomacy, especially in small island nations struggling with debt dependency. India's economic outreach should focus on offering sustainable financial aid that helps the Maldives move away from China's 'debt-for-leverage' model. By extending grants, low-interest loans, and direct investments, India can contribute to the Maldives' economic resilience while ensuring that development projects align with the island nation's long-term interests rather than external strategic agendas.

Strengthening Security Cooperation:

Maritime security, counter-terrorism, and counter-radicalization efforts are critical components of India-Maldives cooperation. Given the increasing threats of extremism and geopolitical tensions in the Indian Ocean, both nations must enhance their security collaboration through joint security exercises, intelligence sharing, and capacity-building programs. Strengthening defense ties will not only reinforce regional stability but also help the Maldives safeguard its sovereignty against external pressures.

Leveraging Soft Diplomacy and Managing Public Perception:

Beyond strategic and economic cooperation, India's engagement with the Maldivian public is essential to counter negative narratives and build lasting goodwill. The growing influence of anti-India sentiments, fueled by certain political factions, necessitates an active effort in soft diplomacy. Strengthening cultural engagement through Bollywood, music, educational exchanges, tourism, and the Indian diaspora can enhance people-to-people ties and foster a more positive perception of India among Maldivians. Public diplomacy initiatives must focus on promoting India's contributions to the Maldives' development and reinforcing shared cultural values.

Upholding the Gujral Doctrine:

India's approach to its neighborhood diplomacy has been historically guided by the Gujral Doctrine, which emphasizes goodwill, non-reciprocity, and cooperative engagement with smaller neighbors. Adhering to these principles while respecting Maldivian sovereignty will help maintain trust and prevent any perception of overreach in bilateral relations.

CHECK YOUR PROGRESS

Q.1: Analyse the contemporary India- Maldives diplomatic relation.

Q.2: What are the key outcomes of the recent visit of President Muizzu?

Q.3: Examine the challenges in India- Maldives bilateral relations and suggest some key measures.

3.12 Summing Up

India-Maldives relations have historically been defined by geographical proximity, cultural linkages, and strategic interests. The relationship has evolved through periods of strong cooperation, occasional tensions, and recalibrations driven by political changes in both countries. India's "Neighbourhood First" policy and SAGAR (Security and Growth for All in the Region) framework have guided its engagement with the Maldives, focusing on security, economic assistance, and capacity-building initiatives. However, recent political shifts, particularly under Maldivian President Mohamed Muizzu, have introduced new complexities in bilateral ties. His administration's pivot towards China, the demand for Indian troop withdrawal, and nationalistic rhetoric have tested the traditionally close partnership between New Delhi and Malé.

Despite these challenges, the strategic imperatives that bind the two nations remain strong. The Maldives, as a small island nation, is highly dependent on India for disaster relief, medical aid, and trade. India's swift response during the 1988 coup attempt, the 2004 tsunami, and the COVID-19 pandemic underscore its role as a reliable partner. Economic cooperation remains a cornerstone of the relationship, with India investing in infrastructure projects, tourism, and connectivity initiatives in the Maldives. The continued operation of projects such as the Greater Malé Connectivity Project and Indian Line of Credit for development programs highlights India's commitment to the Maldives' growth. Security cooperation has been a crucial pillar of bilateral ties, given the Maldives' location in the Indian Ocean, a region vulnerable to maritime threats such as piracy, illegal fishing, and drug trafficking. India has played a key role in strengthening the Maldivian defense forces through training, joint exercises, and the provision of equipment. However, the Maldivian government's recent moves to reduce Indian military presence on its soil and explore alternative security partnerships suggest a recalibration of this aspect of the relationship.

While geopolitical considerations shape their interactions, people-to-people ties remain robust. The Maldives' tourism sector benefits significantly from Indian visitors, and Maldivian students and patients often seek education and medical treatment in India. The cultural and historical connections between the two nations serve as an underlying force that sustains their relationship even during diplomatic strains. Going forward, India must navigate the evolving dynamics of its relationship with the Maldives with a balanced approach, reinforcing its goodwill through development cooperation while respecting Maldivian sovereignty and political choices. New Delhi's broader Indian Ocean strategy must incorporate flexible engagement mechanisms, acknowledging Malé's growing foreign

policy diversification while ensuring that its own strategic interests are safeguarded. Despite short-term diplomatic frictions, the long-term trajectory of India-Maldives relations will likely be shaped by mutual interests in security, economic cooperation, and regional stability. The key challenge for both nations will be to manage differences pragmatically while preserving the core strengths of their partnership, ensuring that their ties remain resilient in the face of shifting geopolitical currents.

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UNIT: 4

INDIA AND MAURITIUS

Unit Structure:

- 4.1 Introduction
- 4.2 Objectives
- 4.3 India and Mauritius: A Flourishing Partnership
- 4.4 Defence, security and Strategic Engagement
- 4.5 Economic and Commercial Relations
- 4.6 Human Resource Development
- 4.7 The Diaspora and Cultural Linkages
- 4.8 The India-China Rivalry in the Indo-Pacific and Mauritius
- 4.9 Mauritius's Claim for Sovereignty Over the Chagos Archipelago and India's Support
- 4.10 Summing Up
- 4.11 References and Suggested Readings

4.1 Introduction

This chapter deals with the relationship between India and Mauritius. Mauritius, as an Indian Ocean country, shares a strong relationship with India that transcends the typical diplomatic exchanges seen in international relations and is instead marked by the profound bond of shared ancestry, economic interdependence, and mutual geopolitical interests. Over the years, this partnership has evolved into a multifaceted engagement that spans trade, defence, and people-to-people interactions. Despite being a geographically small island, Mauritius occupies a Key position in India's Indo-Pacific policy due to its strategic location. This is

particularly important given the increasing influence of China in the Indo-Pacific, which is a major worry for India.

4.2 Objectives

After going through this unit, you will be able to:

- *understand* the India-Mauritius Relationship;
- *explore* the historical, cultural, economic, and strategic ties between India and Mauritius;
- *analyse* the factors that have strengthened this bilateral relationship over time;
- *evaluate* the Strategic Importance of India-Mauritius Relations;
- *understand* how Mauritius is a key partner for India in the Indian Ocean Region;
- *the significance* of economic cooperation, maritime security, and diplomatic collaboration between the two nations.

4.3 India and Mauritius: A Flourishing Partnership

India maintains a significant relationship with Mauritius, encompassing cultural, economic, strategic, military, and people-to-people connections. These deep-rooted ties date back to the 19th century when indentured Indian labourers were brought to the island under British rule. Today, approximately 68% of Mauritius' population has Indian ancestry, reinforcing strong cultural and linguistic bonds between the two nations. Given its strategic location in the Indian Ocean and historical connections, Mauritius is essential in India's Neighbourhood First policy and its broader maritime strategy. For a considerable period following independence, the importance of Mauritius in securing India's

interests in the Indo-Pacific was overlooked by Indian policymakers. However, with the implementation of India's Act East policy and a reinforced neighbourhood policy since the 1990s, the geostrategic significance of Mauritius in India's foreign policy has become clearer. Initially, Indian policymakers focused primarily on territorial threats, largely due to security challenges arising from neighbouring Pakistan and, later, from China, resulting in a neglect of maritime concerns. The 2008 Mumbai terror attacks heightened awareness within India's strategic community regarding potential threats emanating from maritime routes. Since then, particularly from late 2010 onward, India has embraced an assertive Indo-Pacific policy and focused on strengthening its maritime and naval capabilities. This change in approach is evident in initiatives such as the establishment of an Indo-Pacific division and participation in the Indian Ocean Rim Association (IORA). Overall, the unfolding of India's Act East and neighbourhood policies since the 1990s has underscored the considerable geostrategic importance of Mauritius in India's foreign policy.

The present Indian administration is actively working to develop closer ties with small island nations in the Indian Ocean, such as the Maldives, Seychelles, and Mauritius, given their strategic significance in protecting Indian interests in the Indo-Pacific region. India aims to enhance collaboration with these nations in areas including economics, health, and security. The relationship with Mauritius has witnessed more growth since the last decade due to the high level of visits from both countries. In 2013, the President of India, Shri Pranab Mukherjee, visited the Island nation as a Chief Guest at Mauritius's 45th Independence Day celebrations. On this occasion, three Memoranda of Understanding (MoUs) were signed concerning health and medicine, individuals with disabilities and

senior citizens, as well as tourism. In 2014, Mauritius Prime Minister Ravichandran Ramgoolam was the only leader outside SAARC to attend the swearing-in ceremony of the new government led by Prime Minister Narendra Modi. During Prime Minister Modi's historic visit to Mauritius in 2015, he emphasised that the relationship between India and Mauritius is special and deeply rooted in a shared historical connection. Both nations signed five significant agreements aimed at advancing their partnership, including a concessional line of credit of USD 500 million for civil infrastructure projects in Mauritius. PM Modi pledged support to Mauritius in diversifying its economy by helping with the development of the oil, finance, and ICT sectors. Additionally, Mauritius agreed to enhance sea and air connectivity to the remote Agalega Islands, thereby providing India with a strategic position several hundred miles from its coast. Furthermore, during this important visit, PM Modi officially inaugurated the OPV Barracuda, constructed by an Indian shipyard and funded by the Indian Government, which was then handed over to the Mauritius Coast Guard. PM Modi also laid the foundation for the construction of the World Hindi Secretariat. In March 2024, Indian President Droupadi Murmu participated in the National Day celebrations of Mauritius, where she referred to the island nation as "a shining beacon of development, democracy, diversity, and dynamism." Likewise, Prime Minister Pravind Jugnauth of Mauritius attended the swearing-in ceremony for Prime Minister Narendra Modi's third term in June 2024. This kind of high-level visit from both sides shows the close relationship between the two countries.

STOP TO CONSIDER:

Operation Lal Dora and R&AW in Mauritius:

In the 1980s, Anerood Jugnauth served as the Prime Minister of Mauritius and was known for his pro-India stance. Concerned about a potential military coup by his opponent, Paul Berenger, in 1983, Anerood reached out to Indira Gandhi for assistance. In response, the Indian Prime Minister, along with other senior officials, devised a plan for a military intervention in Mauritius to support Anerood. An army battalion was assembled in Mumbai, prepared for deployment. However, the mission was ultimately called off at the final moment, as the R&AW Station Chief in Mauritius skillfully managed the crisis through intensive negotiations and diplomatic efforts. This intervention not only stopped India from launching a military operation amid the tense Cold War environment but also helped to avoid political instability in Mauritius.

4.4 Defence, Security and Strategic Engagement

The significance of the Indian Ocean for India from a geostrategic perspective was highlighted by India's first Prime Minister, Pandit Jawaharlal Nehru, when he remarked in March 1958:

“I ponder over our close links with the sea and how the sea has brought us together. From time immemorial, the people of India have had very intimate connections with the sea...We cannot afford to be weak at sea...history has shown that whatever power controls the Indian Ocean has, in the first instance, India's seaborne trade at her mercy and, in the second, India's very independence itself”.

In recent decades, India has strengthened its defence collaborations with smaller island nations to advance its strategic objectives in the Indo-Pacific area. As part of the SAGAR doctrine, India is

implementing a proactive defence strategy with the littoral states of Maldives, Sri Lanka, Seychelles, and Mauritius. Through multifaceted engagement, India seeks to enhance regional stability, counterbalance the influence of external powers, and promote mutual economic growth, thereby ensuring a secure maritime environment that benefits all countries involved. Positioned strategically along major maritime routes in the Indian Ocean, Mauritius holds significant geostrategic importance. India has cultivated a deep and multifaceted partnership with Mauritius, particularly in the realm of defence and security. This strong cooperation is reflected in India's diplomatic priorities, where Mauritius features prominently in its neighbourhood policy. During his visit to Mauritius in March 2013, President Pranab Mukherjee reaffirmed this commitment, emphasising that India remains prepared to support Mauritius in security-related matters in alignment with the Mauritius needs and priorities.

STOP TO CONSIDER:

SAGAR Doctrine:

Introduced by the Modi Government in 2015, the SAGAR (Security and Growth for All in the Region) doctrine represents India's strategic vision for the Indian Ocean Region. This policy aims to enhance India's economic and security cooperation with island nations such as Mauritius, Seychelles, and the Maldives while also assisting them in strengthening their maritime security capabilities. It highlights India's commitment to ensuring maritime security, fostering economic growth, and promoting regional stability through collaborative efforts. The doctrine highlights the importance of a safe and rules-based maritime environment, sustainable development, and improved disaster risk management. Through

initiatives like the Indian Ocean Rim Association (IORA) and various maritime security collaborations, India aspires to be a net security provider, ensuring stability while nurturing regional partnerships.

Mauritius does not maintain a standing army or navy. Law enforcement, national defence, and security fall under the purview of the Police Commissioner. Both the Mauritius National Coast Guard (MNCG) and the Mauritius Police Helicopter Squadrons (MPHS) report to this office. In 1974, Mauritius entered into a defence agreement with India that allowed for the supply of naval equipment and warships to Mauritius and guaranteed Indian naval support for the Mauritius Coast Guard. In line with this agreement, over the years, India has also supplied defence equipment to Mauritius through its aid and assistance programmes. In 1974, India gifted the INS Amar to Mauritius. India has played a significant role in supporting Mauritius by assisting in the repair and servicing of its Coast Guard vessels. Additionally, in 2004, Mauritius hosted an Indian Air Force show, highlighting the strong defence cooperation between the two nations. Prior to this event, in April 2004, India delivered a Dornier maritime surveillance aircraft to the Government of Mauritius, further enhancing the country's maritime security capabilities. A Chetak helicopter was also on a long lease with the Mauritius Police Helicopter Squadrons. Since 2014, the new government has significantly enhanced the defence relationship with Mauritius. India has agreed to lease Dornier aircraft and Dhruv helicopters to Mauritius for the purpose of monitoring its extensive maritime zone. In February 2024, Prime Minister Narendra Modi and his Mauritian counterpart, Pravind Jugnauth, jointly inaugurated a new airstrip and jetty on the Mauritian archipelago of Agaléga. This event highlighted India's commitment as a net security

provider in the Indian Ocean Region. In addition to the upgraded airstrip, the Memorandum of Understanding (MoU) included the construction of a port adjacent to the existing jetty, the establishment of institutions for intelligence and communications, and the installation of a transponder system to identify ships traversing the Indian Ocean. As stated by the Mauritian Prime Minister, these new facilities are aimed at enhancing and reinforcing maritime security in the region. Furthermore, the port will serve as a refuelling point for Indian vessels navigating through the area.

STOP TO CONSIDER:

India and Mauritius Maritime Security Agreement -2017:

In May 2017, Mauritius Prime Minister Pravind Jugnauth visited India, where both countries held bilateral talks on strengthening maritime security. During the visit, India extended a \$500 million line of credit to Mauritius to support its development initiatives. Recognising their shared responsibility as key countries in the Indian Ocean Region (IOR), both leaders agreed to work together to ensure maritime security along their coasts and within their Exclusive Economic Zones (EEZs). As part of this commitment, India and Mauritius signed the Bilateral Mutual Maritime Security Agreement, which addresses various security challenges, including sea piracy, drug trafficking, illegal fishing, and unauthorised exploration. To enhance Mauritius' coastal security, its National Coast Guard (NCG) launched Project Trident, an initiative to strengthen coastal surveillance and defence capabilities. Under the agreement, India pledged its support for Project Trident, further reinforcing the close security partnership between the two nations.

4.5 Economic and Commercial Relations

In the last five years, India has been among Mauritius's leading trading partners. Mauritius's ambitions to establish itself as a regional economic powerhouse fall in tune with India's commitment to the development of the Indian Ocean area. In 2023, India represented 10.2 % of Mauritian total imports and ranked third in their main import countries. India's current exports to Mauritius accounted for USD 646 million in 2023, while in the same period, Mauritius exported USD 55 million worth of goods and services to India (High Commission of India, Port Louis, Mauritius, 2021). The export basket from India to Mauritius mainly consists of petroleum products, cotton, cereals, motor vehicles, and mineral fuels. On the other hand, India primarily imports medical devices, scrap metal, fish meal, and scrap copper from Mauritius. Although India has strong trade relations with Mauritius, certain challenges remain, particularly concerning Foreign Direct Investment (FDI) inflows. India was once the leading source of FDI for Mauritius but was later overtaken by China. In 2017-18, India's FDI to Mauritius stood at \$15.94 billion, but this figure declined significantly to \$8.08 billion in 2018-19 (High Commission of India, Port Louis, 2021). Since 2018-19, Singapore has become the largest source of investments in India, surpassing Mauritius. This shift highlights China's growing influence in the Indo-Pacific region.

In response to the expanding Chinese influence and to strengthen economic ties, India signed the Comprehensive Economic Cooperation and Partnership Agreement (CECPA) with the Island country in February 2021, which came into effect on April 1, 2021. This marked India's first trade agreement with an African country. In August 2022, both countries reached an agreement on general economic cooperation and provisions related to the Auto Trigger Safeguard Mechanism within the CECPA. Additionally, there are 11

Indian Public Sector Undertakings operating in Mauritius, including Bank of Baroda, Life Insurance Corporation, New India Assurance Corporation, Telecommunications Consultant India Ltd, Indian Oil (Mauritius) Limited, Mahanagar Telephone (Mauritius) Ltd., State Bank of India (Mauritius), National Building and Construction Company Ltd, Rail India Technical and Economic Service, Hospital Services Consultancy Corporation Ltd., and EdCIL (India) Ltd. These organisations play a vital role in enhancing the economic cooperation and development partnership between Mauritius and India.

SELF ASKING QUESTION:

Q.1: How does the India-Mauritius economic relationship support India's broader strategic interests in the Indian Ocean region? Discuss. (100 words).

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Q.2: What is the strategic significance of India-Mauritius defence and security cooperation in the Indian Ocean region? Discuss. (100 words)

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4.6 Human Resource Development

The India-Mauritius Human Resource Development Initiatives represent a crucial facet of our bilateral relations, with a strong emphasis on education, skill development, and capacity building. The close ties between the two nations have facilitated enhanced

cooperation in the human resource development sector. India has offered substantial assistance to Mauritius in this area, participating actively in capacity building to foster the growth of knowledge-based industries. Indian universities and institutions have established affiliated or supported institutions in Mauritius, mainly focusing on engineering, medical, and management studies. It is also crucial at a time when Mauritius has reliably been attempting to position itself as an 'Education Hub' of Africa. Of late, Mauritius has also been trying to establish itself as a top destination for medical tourism. As part of this initiative, the country is collaborating with leading medical hospitals and institutions worldwide to establish their campuses in Mauritius. India, as a close partner, is assisting Mauritius in fulfilling its healthcare aspirations. Notable collaborations include the Fortis and Apollo Groups, as well as Agarwal Eye Hospital, which has teamed up with Mauritian partners to set up state-of-the-art medical facilities in the country. India has also provided training opportunities for Mauritian healthcare professionals, along with support for traditional medicine, particularly Ayurveda and homeopathy. During critical times, such as the COVID-19 pandemic, India offered medical assistance, including expert guidance and healthcare equipment, demonstrating its commitment to the well-being of Mauritius. During this period, India, through its "Vaccine Maitri" initiative, supplied over 200,000 vaccines to help Mauritius combat the COVID-19 virus.

India has played a significant role in supporting the education sector in Mauritius by providing scholarships through initiatives such as the Indian Council for Cultural Relations (ICCR) and the Indian Technical and Economic Cooperation (ITEC). These initiatives enable students from Mauritius to continue their higher education in India, especially in areas such as engineering, medicine, law, and

management. As part of the ITEC program, the number of training opportunities for Mauritius has been raised to 170 for civilian courses and 100 for defence-related courses. Mauritius has also availed of 100 educational scholarships annually. Apart from these initiatives, India has assisted in the establishment of key medical infrastructure and educational institutions in Mauritius, such as Jawaharlal Nehru Hospital, the Mahatma Gandhi Institute (MGI) and the Rabindranath Tagore Institute, which contribute to the study of language, culture, and heritage.

STOP TO CONSIDER:

Indian Technical and Economic Cooperation (ITEC):

The ITEC program, which stands for Indian Technical and Economic Cooperation, is a key initiative of the Indian Government established in 1964 to offer technical support and enhance capacities in developing countries. It is overseen by India's Ministry of External Affairs (MEA) and emphasizes the promotion of South-South collaboration by offering training, expertise, and technology transfer to partner nations.

4.7 The Diaspora and Cultural Linkages

The late Indian Prime Minister Indira Gandhi, during her visit to Mauritius in 1970, called the country “Bharat Chota Sa!” This is also primarily a fact, as 68 per cent of its population is of Indian origin. The Aapravasi Ghat, recognised as a UNESCO World Heritage Site in Port Louis, Mauritius, stands as a reminder of this migration, signifying the arrival of thousands of Indians as indentured labourers who eventually became a vital part of the nation’s identity. Over time, Indian traditions have blended with the local environment, giving rise to a distinct Mauritian identity that

retains significant Indian influences. Languages such as Bhojpuri, Hindi, Tamil, and Telugu are commonly spoken alongside French and Creole, with Hindi being taught in schools and featured in media. Mauritius is also the headquarters of the World Hindi Secretariat. The Government of India provided all of the funding for its construction. Hinduism is the predominant religion, and festivals such as Diwali, Holi, Maha Shivaratri, and Ganesh Chaturthi are celebrated with great enthusiasm. Indian cuisine, including dishes like roti, curry, biryani, and dhol puri, has become a staple in Mauritian households, reflecting the deep culinary connections to India. In terms of religion, approximately 65% of Mauritius's Indian-origin people are Hindu, 25% are Muslim, and 10% are Christian, with a notable number of Tamils having converted to Christianity.

Mauritius has maintained a strong and active engagement with India's global diaspora initiatives, particularly through its participation in the Pravasi Bharatiya Divas (PBD). In 2019, Mauritius Prime Minister Pravind Jugnauth attended the Pravasi Bharatiya Divas (PBD) held in Varanasi, India, as a chief guest, where he addressed the people in Bhojpuri Language. Back then, in 2012, Mauritius also hosted the mini-PBD. It has also hosted World Conferences in the Bhojpuri, Hindi, Tamil, Telugu and Marathi languages. However, India should not take the cultural link and old people-to-people relations for granted; the new generation of Mauritius is also more inclined towards Western culture than India. Therefore, India needs to invest more in this relationship to fill the gap in this direction, particularly in people-to-people ties.

STOP TO CONSIDER:

Pravasi Bharatiya Divas (PBD):

Pravasi Bharatiya Divas (PBD) is an annual event celebrated in India on January 9 to honour the contributions of the overseas

Indian diaspora. It commemorates Mahatma Gandhi's return to India from South Africa in 1915. The annual event, organised by the Ministry of External Affairs, aims to strengthen ties with the diaspora, recognise their achievements, and encourage their involvement in India's development. The event features awards like the Pravasi Bharatiya Samman, conferences, and cultural programs. It serves as a platform to address diaspora concerns and promote investment and collaboration, highlighting the significant role of the Indian diaspora worldwide.

4.8 The India-China Rivalry in the Indo-Pacific and Mauritius

The geo-economic concept of Indo-Pacific has gained significant importance in recent decades as the global economic focus shifts from the West to the East. Nearly 60 percent of the world's population resides in the Indo-Pacific region, contributing to approximately 60 percent of the global gross domestic product (GDP). From an economic standpoint, 60 percent of maritime trade transits through this area. Furthermore, the Indo-Pacific region, especially the Indian Ocean, plays a crucial role in global geopolitics, with two-thirds of the world's oil shipments, one-third of bulk cargo, and half of all container traffic passing through it. As a result of the growing strategic and commercial significance, combined with the evolving world order, the number of stakeholders and their geopolitical rivalries in this region has escalated. Currently, the prominent stakeholders in the Indo-Pacific and Indian Ocean region include India, China, United States of America, Japan, France, Australia, Africa and small Island nations like Mauritius, Maldives, etc. India, with its geographical advantage in the Indian Ocean, has traditionally considered the region within its sphere of influence. However, the rise of China as a global power has significantly altered the power dynamics in the Indo-Pacific. China's

growing impact, especially through initiatives like the Belt and Road Initiative (BRI), has intensified strategic competition and heightened tensions in the region. The Chinese strategy aims to establish economic dependencies and secure strategic outposts that can serve dual-use purposes, both commercial and military. The enlarging Chinese influence in the Indian Ocean region and in India's backyard, particularly through infrastructure projects such as the strategic Chinese investment in Gwadar port of Pakistan, the acquisition of Hambantota port of Sri Lanka and growing Chinese investment in Maldives, Mauritius and Bangladesh, has raised concerns in New Delhi. India views China's presence as an attempt to encircle India within its own maritime domain, commonly referred to as the "String of Pearls" strategy.

STOP TO CONSIDER:

The Indo-Pacific and Indian Ocean Region:

The Indo-Pacific region is a significant geopolitical and strategic area that extends from the eastern coast of Africa to the western Pacific Ocean, encompassing vital maritime routes and economic centres. It includes major economies such as India, China, Japan, Australia, and the nations of ASEAN. This region is crucial for global trade as it hosts some of the busiest shipping lanes, including the Strait of Malacca and the South China Sea.

The Indian Ocean, an essential part of the Indo-Pacific, is the third-largest ocean, spanning around 20% of the planet's surface. It connects Africa, the Middle East, South Asia, and Southeast Asia, serving as a crucial conduit for global trade and energy supplies. Rich in resources, including fisheries and hydrocarbons, this area also hosts strategic naval bases.

Both the Indo-Pacific and Indian Ocean regions have gained

geopolitical significance due to rising maritime security concerns, territorial disputes, and great power rivalries. India, positioned centrally in the Indian Ocean, plays a pivotal role in maintaining regional stability. Countries such as the United States, China, Japan, and Australia have heightened their engagement in the Indo-Pacific to ensure a free, open, and rules-based maritime order.

Amidst this growing power assertion among major countries like China, India, and the Western powers, Mauritius's role is crucial as it's located in a strategic chokepoint in the Indo-Pacific region. Mauritius has traditionally depended on support from India; however, Chinese investments have emerged as an alternative avenue for the island nation's economic growth and development. Recently, China has financed the construction of a new terminal at Mauritius International Airport. In addition, several projects, including Eden Garden in western Mauritius, are being developed by Chinese companies. Mauritian policymakers and leaders are lauding these initiatives as the beginning of a new era of economic revitalisation. This strategic shift has occasionally created tensions among Indian policymakers, as India views the expanding Chinese influence as a potential threat to its own interests in the Indian Ocean. The increasing Chinese investment in the region has prompted India to re-evaluate its strategic dynamics and strengthen its ties with island nations such as Mauritius. In response, India has intensified its engagement with Mauritius through enhanced financial aid, defence cooperation, and infrastructure development. China and Mauritius signed a free trade deal in 2019 that came into effect in 2021. In line with the Mauritius-China FTA, India also signed a Comprehensive Economic Cooperation and Partnership (CECPA) deal with Mauritius in January 2021, which was India's first FTA with an African nation. Another notable example of

such close collaboration is India's completion of the Mauritius Agalega Island development project in 2024, reflecting the deepening relationship between the two countries. Additionally, as part of the Modi administration's "Security and Growth for All" policy, India aims to enhance its maritime capabilities by constructing a new port adjacent to the existing jetty. This initiative includes establishing institutions for intelligence generation and sharing, developing communication facilities, and implementing a transponder system to monitor vessels operating in the Indian Ocean. These developments will strengthen India's standing as a maritime power and broaden its influence in the region. Furthermore, despite receiving more financial support and loans from China, Mauritius tends to favour India due to its political stability and democratic governance. To counter China's influence in the Indian Ocean region, India is also collaborating with like-minded countries such as the USA, Japan, and Australia through the QUAD grouping.

4.9 Mauritius's Claim for Sovereignty Over the Chagos Archipelago and India's Support

The "Chagos Archipelago" is one of the major areas of dispute between Mauritius and its former colonial power, the United Kingdom. Prior to granting independence in 1968, the United Kingdom detached the Chagos Archipelago from Mauritius in 1965 and later leased Diego Garcia, the largest island of the archipelago, to the United States for a military base for 50 years, forcibly removing the indigenous Chagossians. Mauritius has persistently sought the return of the islands, taking its case to international legal bodies. In 2019, the International Court of Justice (ICJ) ruled that the United Kingdom must return the Chagos Archipelago to Mauritius, a decision reinforced by the UN General Assembly

resolution and a 2021 verdict from the International Tribunal for the Law of the Sea. Over the years, India has been a strong supporter of Mauritius in this dispute, advocating for decolonisation and upholding international legal rulings. India has voted in favour of Mauritius at the United Nations and backed its claims at the ICJ. The deep historical and cultural ties between India and Mauritius further strengthen this support. At the same time, India is mindful of the strategic importance of Diego Garcia, which serves as a key military base for the United States in the Indian Ocean, playing a role in regional security and stability. While firmly backing Mauritius' sovereignty over the islands, India maintains a diplomatic balance, ensuring that its stance aligns with both international law and regional stability.

Recently, the longstanding dispute regarding the Chagos Islands between the UK and Mauritius has been resolved through a historic agreement while maintaining the UK-US presence on Diego Garcia. Under the provisions of this new agreement, the United Kingdom has recognized Mauritius's sovereign rights over the Chagos Archipelago, which includes Diego Garcia. Nevertheless, it has been agreed that for an initial period of 99 years, the UK will be permitted to exercise Mauritius's sovereign rights and authorities over Diego Garcia to ensure the continued operation of the base well into the next century. Regarding the agreement, the Ministry of External Affairs, the Government of India commented that “India has consistently supported Mauritius’s claim for sovereignty over Chagos, in line with its principled stand on decolonisation and support for the sovereignty and territorial integrity of nations, as well as its longstanding and close partnership with Mauritius”. In the same manner, the Mauritian Prime Minister, Pravind Jugnauth, thanked the Indian government and Prime Minister Modi for India’s

support of Mauritius in this decolonisation process of the Chagos Islands.

4.10 Summing Up

India has significant cultural, economic, strategic, military, and people-people relationships with Mauritius. Despite being a small and technologically less developed island nation, Mauritius's geography positions it centrally within India's Indo-Pacific strategy. This relationship can be further enhanced by effectively utilising India's soft power, especially through its diasporic community. Given that a significant portion of Mauritius's population is of Indian descent, including many political elites and key decision-making bureaucrats, India enjoys considerable political and public support in the Island nation. In contrast, China's assertive approach has resulted in limited credibility and backing in the global marketplace. In short, we can conclude that the relationship with Mauritius is both historical and strategic, and in the near future, we will see a deeper unfolding of this relationship as per India's strategic footprint in the Indian Ocean.

CHECK YOUR PROGRESS:

- 1) How India-Mauritius relations are significantly improving India's maritime domain awareness in this critical region where China is seeking to expand its footprint. Discuss
- 2) Why is Mauritius called Mini India?
- 3) How can India leverage its soft power to strengthen its strategic influence in Mauritius?
- 4) The Indian Ocean holds immense strategic significance for India's security, trade, and regional influence. Analyse the key challenges and opportunities for India in the Indian Ocean region.

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UNIT: 5

INDIA AND AFGHANISTAN

Unit Structure:

5.1 Introduction

5.2 Objectives

5.3 A brief Introduction of Afghanistan

5.3.1 Politics of Afghanistan

5.4 India and Afghanistan

5.5 Summing Up

5.6 References and Suggested Readings

5.1 Introduction

This unit explores the complex and evolving relationship between India and Afghanistan, from ancient trade routes to modern strategic partnerships, highlighting the cultural connections, political influences, and economic interdependence that have shaped their shared history. It examines periods of close cooperation, challenges posed by regional conflicts, and the future of this vital relationship in a rapidly changing geopolitical landscape.

It needs mention that, the history of India-Afghanistan relations dates back to the Indus Valley Civilization. Following independence, India-Afghan relations began to take shape in January 1950 when Pt. Jawaharlal Nehru, the Indian prime minister at the time, and the Afghans signed a five-year Treaty of Friendship.

5.2 Objectives

After going through this unit you be able to—

- *discuss* the geography of Afghanistan;
- *explore* the western influence in Afghanistan;
- *analyse* the India's relation with Afghanistan.

5.3 A brief Introduction of Afghanistan

The Islamic Republic of Afghanistan is a landlocked nation. Pakistan, Iran, Turkmenistan, Uzbekistan, Tajikistan, and China are all neighbors. Afghanistan has a long history of strife, invasions, and strategic significance. It is well-known for its rough terrain and ethnically diverse population, which is mainly composed of Pashtuns, Tajiks, Hazaras, and Uzbeks.

Afghanistan's strategic location between the Middle East, Central Asia, and South Asia makes it a highly valuable geopolitical region. From the 19th-century British-Russian rivalry to the Cold War between the United States and the Soviet Union, it has historically functioned as a battleground for global powers and a buffer state between empires.

Afghanistan has played a major role in world security in recent decades, particularly since the U.S.-led invasion in 2001 to overthrow the Taliban government and fight terrorism. It is a crucial region for regional stability because of its proximity to major powers like China and Iran as well as nuclear-armed nations like Pakistan.

Furthermore, Afghanistan has a wealth of unexplored natural resources, such as rare earth elements and lithium, which are essential to contemporary technology. Its internal security and political future have a big impact on migratory trends, regional trade, counterterrorism initiatives, and the larger geopolitical plans of the world's superpowers.

5.3.1 Politics of Afghanistan

Following the Third Anglo-Afghan War, Afghanistan was fully freed from British domination in 1919 under King Amanullah Khan. Since then, the nation has experienced major political upheavals characterized by foreign interventions, civil war, communism, monarchy, republic, and Taliban rule. Let us have a look at the political transition of Afghanistan:-

Monarchical Period (1919–1973):

Upon achieving independence, Afghanistan was governed as a monarchy. The first ruler, King Amanullah Khan, endeavored to implement modern reforms but encountered significant resistance from conservative elements of society. The monarchy regained stability under King Zahir Shah, who ruled from 1933 to 1973 and experienced relative peace and gradual modernization. However, during the 1960s, political liberalization and reforms led to increased factionalism among the populace.

Republic and Communist Era (1973–1992):

In 1973, King Zahir Shah was overthrown by his cousin, Daoud Khan, who established a republic. In 1978, a communist coup orchestrated by the People's Democratic Party of Afghanistan (PDPA) resulted in the Saur Revolution. Internal strife and radical reforms implemented by the new regime sparked resistance, compelling the Soviet Union to intervene in 1979. The Soviet-Afghan War (1979–1989) caused immense destruction and fueled an Islamist resistance movement (the Mujahideen), supported by the U.S., Pakistan, and other countries.

Civil War and Taliban Rule (1992–2001):

After the collapse of the communist regime in 1992, the Mujahideen factions failed to establish a functional government, leading to a brutal civil war. In 1996, the Taliban seized control of Kabul and implemented a stringent Islamic regime. Their rule was characterized by international isolation and severe human rights abuses.

U.S. Invasion and Democratic Transition (2001–2021):

In response to the 9/11 attacks, the U.S. led an invasion that removed the Taliban from power. A new democratic government was instituted, with Hamid Karzai and later Ashraf Ghani serving as presidents. Despite conducting elections and receiving international support, the new government faced challenges such as corruption, insurgency, and weak institutions.

Return of the Taliban (2021–Present): In August 2021, following the U.S. withdrawal, the Taliban rapidly reclaimed control. The Islamic Republic disintegrated, and the Taliban reestablished their Islamic Emirate. Since then, they have grappled with international non-recognition, economic crisis, and criticism over human rights issues, particularly women's rights.

STOP TO CONSIDER:

US, USSR and Afghanistan:

Throughout its history, Afghanistan has had an impact on global security. The two former superpowers, the United States (US) and the Union of Soviet Socialist Republics (USSR), were forced to engage in proxy conflicts in Afghanistan due to its strategic location during the Cold War. Afghanistan has affected and threatened

global peace and security even in the modern era. But historically and currently, foreign actors have also had an impact on Afghanistan, which has led to a serious internal crisis in the nation. The Great Game, the imperial conflict between the Soviet Union and Britain, and proxy conflicts in Afghanistan had sparked an intra-state conflict and a split among the nation's numerous tribal and ethnic groups¹. A number of separatist/nationalist groups were formed as a result of the disputes and disagreements among the groups over whether to support the local or foreign regime.

5.4 India and Afghanistan

Afghanistan's territory is a frontier for many rising powers, which allows them to increase their influence in the region. Recently, China, India, and Russia have made their "neighbourhood" their top foreign policy priority, which is a significant step toward becoming a global power. Since Afghanistan is seen as a part of each of the aforementioned donors' neighbourhoods, it becomes a part of the so-called "shared neighbourhood," where new donors can concurrently pursue their policies. Now let us discuss the relationship between India and Afghanistan in this section.

While analysing the Indo Afghan relationship, you all should know that much of Afghanistan was impacted by Buddhist, Hindu, and Zoroastrian civilizations before Islam arrived in the 7th century. These civilizations were brought from India by the Mauryans, who also ruled the area south of the Hindu Kush. Even though a large number of Afghans converted to Islam, Muslims and Hindus coexisted in Afghanistan.

The Durand Line was established as the border between Afghanistan and the United Kingdom. However, the Durand Agreement (1893) did not keep the peace and soon after, there were tribal revolts,

which continued until 1898. Viceroy Curzon has decided to concentrate and isolate himself. British units withdrew from advanced positions, to be replaced by tribal forces trained and commanded by British officers. One of the key figures in the Indian independence movement, Afghan Khan, actively supported the Indian National Congress. Another important factor in strengthening India-Afghanistan relations is the involvement of Afghan leaders in the freedom struggle.

After the independence of India, in 1949, India and Afghanistan signed the Treaty of Friendship in an effort to strengthen their diplomatic relations. The 1950s and 1960s saw an increase in diplomatic ties between Afghanistan and India. One of the first non-Communist countries to embrace the Soviet Union's rule following its invasion of Afghanistan in 1979 was India. Prior to the Taliban's formation in the 1990s, India backed several Afghan governments. The Taliban came to power in 1996, but unlike most other countries, India does not recognize this fact. Following the 9/11 attacks and the subsequent U.S. invasion, India's relations with Afghanistan improved.

Importance of Afghanistan to India

Afghanistan is important for India for several reasons. These reasons can be categorised as under:

- **Regional Balance of Power:** Afghanistan is tied to India's vision of being a regional leader and a great power, coupled with its competition with China over resources and its need to counter Pakistani influence.

- **Strategic Location:** Afghanistan's location at the crossroads of South and Central Asia makes it a critical hub for India's regional and international interests.
- **Security Concerns:** Afghanistan has been a major source of instability and terrorism in the region, and India has a vested interest in ensuring peace and stability in the country.
- **Energy and Resources:** Afghanistan has abundant natural resources such as oil, natural gas, and minerals, and India sees potential for mutually beneficial cooperation in these sectors.
- **Cultural Ties:** India and Afghanistan share a rich cultural heritage, and India sees the promotion of cultural and people-to-people ties as an important aspect of its relationship with Afghanistan.
- **Regional Cooperation:** India sees its relationship with Afghanistan as an important part of its regional cooperation in South Asia, and is committed to supporting Afghanistan's efforts towards peace, stability, and development.
- **Connectivity:** The most important role of Afghanistan is always considered as India's gateway to Central Asia.

Background of the bilateral relation

Due to their shared history and culture, India and Afghanistan have a close relationship. The relationship is based on historical contacts and exchanges between people and is not restricted to governments. The Strategic Partnership Agreement, which was signed in 2011, has contributed to the recent strengthening of Indo-Afghan relations. India's long-term commitment to Afghanistan's security and development helped to allay the country's fears as it prepared for three simultaneous political, security, and economic transitions in 2014. Among other things, the Strategic Partnership Agreement

(SPA) between the two parties encourages investment in Afghanistan's natural resources, offers duty-free access to the Indian market for Afghanistan, and offers education and technical assistance to rebuild indigenous Afghan capacity in various areas.

The Strategic Partnership Agreement (SPA)

The Strategic Partnership Agreement (SPA) between India and Afghanistan, signed in 2011, aimed to strengthen bilateral ties and elevate cooperation across various sectors, including security, trade, economic development, and cultural exchange. It formalized the existing relationship and provided a framework for collaboration in areas like infrastructure development, security training, and regional stability.

The India-Afghanistan Strategic Partnership Agreement was signed in 2011. Following are some of its major highlights:

- It recommitted Indian assistance to help rebuild Afghanistan's infrastructure and institutions.
- Education and technical assistance for rebuilding indigenous Afghan capacity in many areas, shall be provided.
- Encourage investment in Afghanistan and provide duty-free access to the Indian market.
- Both sides agreed to consult and cooperate at the United Nations and other international, regional and multilateral forums including support for the reform and expansion of the United Nations Security Council, including a permanent seat for India in the Council.
- India agreed to assist in the training, equipping and capacity building programmes for Afghan National Security Forces.

- Through the India-Afghanistan Foundation, India & Afghanistan will seek to promote social and cultural ties.

Thus it can be said that, The Strategic Partnership Agreement (SPA) between the two sides, inter alia, provides for assistance to help rebuild Afghanistan's infrastructure and institutions, education and technical assistance to rebuild indigenous Afghan capacity in different areas, encouraging investment in Afghanistan's natural resources, providing duty free access to the Indian market for Afghanistan's export.

The second Strategic Partnership Council meeting was held in New Delhi on September 11, 2017. Foreign Minister H.E Salahuddin Rabbani led the Afghan delegation comprising of senior members of the Afghan Government. Making use of the fresh US\$ 1 billion development assistance announced by Government of India and Afghanistan launched a 'New Development Partnership'. Government of India worked with the Government of Afghanistan to identify priorities and projects where Afghanistan needed India's assistance. India agreed to implement important new projects such as the Shahtoot Dam and drinking water project for Kabul that would also facilitate irrigation; water supply for Charikar City; road connectivity to Band-e-Amir in Bamyan Province that would promote tourism; low cost housing for returning Afghan refugees in Nangarhar Province to assist in their resettlement; a gypsum board manufacturing plant in Kabul to promote value added local industry development and import substitution; a polyclinic in Mazar-e-Sharif among others. In addition, India also committed to take up additional 116 High Impact Community Development Projects in 34 provinces of Afghanistan. These projects will be in areas of education, health, agriculture, irrigation, drinking water, renewable energy, flood control, micro-hydro power, sports and administrative infrastructure. India also announced that on-going assistance

programmes for education, capacity building, skills and human resource development of Afghanistan, would continue for a further period of five years from 2017 to 2022.

SELF ASKING QUESTION:

Do you think peace in Afghanistan can help India? If yes, how? Discuss.

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High Impact Community Development Projects (HICDP)

Since 2005, India and Afghanistan have partnered in the area of community development through the HICDP program. Under this scheme, US\$ 120 mn has been committed till date to various small to medium scale projects in areas such as education, health, water management, government buildings, sport facilities, agriculture and irrigation, etc. Around 433 High Impact Community Development Projects have been completed with Indian financial support in all 34 provinces of Afghanistan so far and around 110 projects are ongoing in various provinces of Afghanistan. On 05 July 2020, India signed five (05) agreements for construction of schools and roads worth US\$ 2.6 mn.

During FY 2019-20, 37 projects were completed in various provinces of Afghanistan under the High Impact Community Development Project (HICDP) scheme of Government of India. An MoU for financial commitment of US\$ 80 mn towards HICDP Phase- IV is currently under negotiation by both sides. This would take total commitment of Indian Government to HICDP to US\$ 200 mn.

Economic and Commercial Relation

India is well aware of Afghanistan's importance as a crossroads for trade between central, south, and west Asia. Afghanistan is significant for India not only from a strategic perspective but also because it offers Indian businesses business opportunities. The bilateral trade figure of US\$ 683 million (US\$ 474 million in exports and US\$ 209 million in imports by India) for the year 2013–14 is a relatively modest amount when you consider the vast potential for trade between India and Afghanistan. Man-made filaments, clothing and accessories, pharmaceuticals, cereals, dairy products, and poultry products are among India's top exports to Afghanistan. Fresh and dry fruits make up the majority of Afghan exports to India. To realize the full potential of trade development between the two nations, India has implemented a number of measures. In March 2003, India and Afghanistan signed a preferential trade agreement that permitted significant duty concessions [from 50 percent to 100 percent] to 38 countries.

India's investment in Afghanistan

More than \$100 million is being invested by the Indian government to expand the Chabaharport in Iran, which will serve as a hub for the movement of goods. This port may be regarded as a transit area for Afghanistan and eventually Central Asia since India will use it to import and export a range of goods, including agricultural and mineral products. In order to construct a 1.2 MTPA steel plant with a 90 MW capacity, a Public-Private consortium of Indian iron ore mining and steel companies (AFISCO), headed by the Steel Authority of India, won the contract for the Hajigak iron ore reserves. In addition to the \$750 million already pledged for current

and future projects in Afghanistan, India pledged an additional \$450 million during the 15th SAARC summit.

Cricket Diplomacy

In the realm of sports, India and Afghanistan have strong ties. Afghanistan's Under-14 and Under-17 boys' and girls' football teams have been taking part in the Subroto Cup International Tournament, which is hosted annually by the Indian Air Force, now since 2011. The development of interpersonal relations between the two nations has been greatly aided by cricket. Three cricket grounds in India—Noida, Dehradun, and Lucknow—have been assigned to the Afghanistan Cricket Board (ACB). Under the auspices of the HICDP, India is also building cricket grounds and stadiums in several Afghan provinces. In 2018, Bangalore hosted the inaugural India-Afghan test match. From November 6th, 2019, to December 1st, 2019, Afghanistan hosted a bilateral test series against the West Indies in India. Three one-day matches, three Twenty20 matches, and one test match were played at Lucknow's Ekana Stadium as part of the series. Afghan National Crick was sponsored by Indian FMCG company Amul.

STOP TO CONSIDER:

Heart of Asia process:

Heart of Asia process or the Istanbul Process, started in 2011 to provide more assistance to Afghanistan. The process has three main pillars:

- i. Political Consultations
- ii. Confidence Building Measures (CBMs)
- iii. Cooperation with Regional Organizations

This platform was established to address the shared challenges and interests of Afghanistan and its neighbors and regional partners. The Heart of Asia is comprised of 14 participating countries, 17 supporting countries, and 12 supporting regional and international organizations.

India hosted the Sixth Ministerial conference of Heart of Asia in December 2016 at Amritsar.

India-Afghanistan Relations after Taliban Takeover

Following President Joe Biden's decision to remove all of its troops from Afghanistan, the Taliban seized power in August 2021. The following points, which are covered below, help to explain the results of this takeover and India's position on India-Afghanistan relations: India has a "zero-tolerance policy" with regard to terrorism. India advocates for an inclusive peace process that is owned, controlled, and led by Afghans. India desires a more active role for the United Nations in promoting peace in Afghanistan. India reprimands Pakistan for enforcing the Taliban government in Afghanistan and for aiding terrorist groups. Compared to the previous generation, the Taliban of 2021 seem more liberal and mature. Former Afghan President Hamid Karzai is currently negotiating with the Taliban. Negotiations are currently underway to form a more diverse alliance that includes some former Afghan leaders.

Following the withdrawal of US forces from Afghanistan, India has a number of concerns. These include: Limitations of India's current approach: India has consistently backed "an Afghan-led, Afghan-owned, and Afghan-controlled" process for lasting peace and reconciliation in Afghanistan. It entailed isolating the Taliban government and actively interacting with the elected Afghan

government. Resurgence of terrorism: Terrorist groups like the Haqqani group, a major Taliban member and one of the organizations listed by the UN as a terror group, pose a threat to India. Risk to strategic and financial investments: India has reportedly spent \$3 billion on projects throughout Afghanistan in recent years. The Taliban takeover wastes India's efforts in addition to endangering the country's resources. Growing Chinese and Pakistani influence: The connection between the Inter Servi and the Taliban.

Obstacles in India-Afghanistan Relations:

There are a number of obstacles in India-Afghanistan relations, such as Pakistan's role. Pakistan has attempted to thwart India's attempts to strengthen its ties with Afghanistan because it sees India's increasing presence in Afghanistan as a threat to its security and regional influence. Terrorist organizations: Both Afghanistan and India are targets of terrorism, and India is particularly concerned about the ongoing existence of terrorist organizations like Al-Qaeda in Afghanistan. Economic and infrastructure challenges: India's attempts to invest in Afghanistan, which is among the world's poorest and least developed nations, and construct infrastructure like the Parliament Building and Salma Dam have been impeded by security concerns, corruption, and other obstacles. China factor: India is worried about China's expanding influence and interactions with the Taliban in Afghanistan as a result of China's increased involvement in the country in recent years.

STOP TO CONSIDER:

Major Challenges of India-Afghanistan Relations:

Terrorism

Drug Trafficking

Non-democratic regime

Political Instability

Proxy war by Pakistan

How should India reorient its relations with the Taliban-led country?

After almost ten months of the Taliban taking control of Afghanistan, India has reopened its embassy in Kabul. India should therefore address Taliban-led Afghanistan by: Increasing International Engagements: Up until now, India has only addressed the Taliban's isolation. However, since India is a significant stakeholder in Afghanistan and many other nations are now beginning to engage the Taliban, this option will eventually yield diminishing returns. National Security: The Taliban has connections to both Jaish-e Mohammed and Lashkar-e-Taiba. It would be possible to express Indian concerns about terrorist activities in India through a dialogue with the Taliban. Benefiting both parties, the Taliban urged India to reopen its mission in Kabul, start direct flights there again, and take in Afghan military trainees. India must have a long-term strategic plan for Afghanistan that incorporates military, diplomatic, economic, and political aspects.

CHECK YOUR PROGRESS:

Q.1: Discuss India's policies towards Afghanistan.

Q.2: Examine the relationship between India and Afghanistan during the colonial rule in India.

Q.3: Discuss the areas in which India and Afghanistan have been working together in recent times.

Q.4: Examine the role of Afghanistan as an important neighbour of India.

Q.5: What are the major obstacles in Indo-Afghan relationship?

Q.6: Critically analyse Indo Afghan relationship after the Taliban take over.

5.5 Summing Up

India's relationship with Afghanistan is complex; there is a military and security component that is evident, under which India hopes to see stability in Afghanistan, and there is also the shadow of its relationship with Pakistan. Even though it is expanding, the military relationship with Afghanistan is still kept under wraps, but it could be greatly increased based on Pakistan's actions as well as developments in Afghanistan. Positively, there is social and economic involvement, including government development projects and investments by Indian companies. In an effort to normalize Afghanistan in the eyes of the region, India has taken the lead role in the Istanbul Process of regional engagement. It is obvious that this engagement depends on Afghanistan remaining stable. There are concerns even though India is helping to open trade routes between Afghanistan and Iran in an effort to lessen Afghanistan's dependency on Pakistan. At last it can be said that, India's foreign policy towards Afghanistan balances developmental support,

strategic interests, and regional security concerns. While the Taliban's return has complicated ties, India continues to seek a role in promoting peace, stability, and humanitarian support, while closely monitoring regional dynamics, especially vis-à-vis Pakistan and China.

5.6 References and Suggested Readings

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