

# India's Foreign Policy

## *Analysing Relations with Neighbouring Countries*

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### 1. Introduction

Increasing globalization and interdependence between nations across the globe has enhanced the need for healthy diplomatic relations amongst all countries. Today, a sound and strategic foreign policy is crucial for having a voice in international platforms, for effective trade and investments, and for achieving consistent domestic progress.

India's foreign policy has developed greatly since independence. Policies for forming global interactions progressed from being principled to goal-driven and objective orientated.

Post-independence, India's agenda revolved primarily around fostering new relationships with colonial and ex-colonial nations to encourage peace and cooperation in light of international disputes such as the Cold War.

Significant conflicts with neighbours like China and Pakistan led to necessary changes in India's foreign policy, with the country no longer remaining neutral in its relations. Ties with the USA, Soviet Union, and several other countries were in constant flux due to the allegiances formed during both the Sino-Indian and the Indo-Pakistani wars. It was this shift that led to greater military preparedness and development of more agenda-driven foreign policies.

The 1991 industrial policy saw India turning to a mixed economy, thereby transforming its economic and trade policies with the outside world. This greatly opened up opportunities for employment and manufacturing in the country, and created a new avenue for cooperation and interaction with several countries of the world.

### 2. Current Development in India's Foreign Policy

The recent government has been making active efforts to expand India's diplomatic footprint, foster strong international ties, and use these global relationships for mutual advantage and progress. This method of '**fast track diplomacy**' brought in by the Bharatiya Janta Party (BJP) government involves a much more concentrated and proactive approach to building close ties than was witnessed in earlier times<sup>i</sup>. This is achieved through an increased number of personal visits by the Hon'ble Prime Minister, Mr. Narendra Modi to neighbouring and other countries, as well as increased participation in regional and international conferences and summits.

This dynamic approach involves targeted outreach and interactions in order to achieve specific goals that have been set for the nation. These objectives include –

## 2.1 Improved relations with neighbouring countries

India shares its boundaries with nations including Afghanistan, Bhutan, Bangladesh, China, Maldives, Myanmar, Pakistan, Nepal and Sri Lanka. Currently, the Central Government has greatly emphasized the need to prioritize ties with its immediate neighbours. This prioritisation is being implemented through two core approaches namely, the ‘Neighbourhood First<sup>iii</sup>’ and ‘Act East’ policies.

### ‘Neighbourhood First’ Policy

This policy of the government aims to improve interactions with its immediate neighbours and the Indian Ocean island states. It achieves various goals through a holistic approach to regional foreign policy.



**Connectivity** is a big facet of this policy, with India entering into Memorandums of Understanding (MoU) with members of the **South Asian Association for Regional Cooperation (SAARC)** for cooperation in areas of trade, infrastructure, commercial linkages and transit facilities. These agreements ensure a free flow of resources, energy, goods, labour, and information across borders.



**Resource support** by India to its neighbours is another vital component of this approach in terms of financial aid, equipment, human resource training and diplomatic alliances. For example, India provided immense assistance, in the form of over 1,700 tonnes of relief material and medical assistance, to its neighbour Nepal in the aftermath of the 2016 earthquake.



**Regional Institutions** are an important mechanism for India to emerge as a regional leader in South Asia. In furtherance of this, India has participated and invested in SAARC as a vehicle for development in the region. However, it has also begun to initiate issue-specific groups that can achieve faster and more effective progress, without being held back due to lack of consensus. One such example is the **Bangladesh-Bhutan-India-Nepal (BBIN)** grouping for energy development i.e. motor vehicles, waterpower management and inter-grid connectivity.

### ‘Act East’ Policy

The PM Narasimha Rao government launched a ‘Look East’ Policy in 1992. Due to changes in geopolitical and economic circumstances, the present government has renamed it as ‘Act East’, to represent their pro-active role in increased integration of India into the **Association of Southeast Asian Nations (ASEAN)** and East Asian countries. In furtherance of this, the Prime Minister attends the annual ASEAN Summits, and engages in high-level exchanges with member nations. India’s recent involvement in the **Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)** is a representative of its commitment to this policy. It has three primary objectives, namely –

CONNECTIVITY	CULTURE	COMMERCE
<ul style="list-style-type: none"> <li>• Infrastructure investments (bridges/highways)</li> <li>• Improved access to gateway ports</li> <li>• Technology transfer</li> </ul>	<ul style="list-style-type: none"> <li>• Promotion of tourism in famous cultural and religious sites</li> <li>• Preservation of ancient manuscripts, heritage sites and artifacts</li> </ul>	<ul style="list-style-type: none"> <li>• Strong Production Networks</li> <li>• Regional Value Chains</li> <li>• Bilateral Trade Agreements</li> </ul>

Under the Act East Policy, the least-developed nations of **Cambodia, Lao PDR, Myanmar and Vietnam (CLMV)** have been a special focus area for India. Through such strategic partnerships, India can develop new global value chains – a crucial requirement in light of manufacturing campaigns such as ‘**Make in India**’. In furtherance of this, a **Project Development Fund of INR 500 crores** has been set up to facilitate India’s manufacturing foothold in these nations.

The policy also focuses on implementation of projects for stronger regional integration, security and defence. A recent objective under this policy is to improve border infrastructure for greater overland connectivity to Southeast Asia.

## 2.2 Institution Building

One important aim for India in the present foreign policy regime is to participate and take the lead in several international governance platforms. The government aims to increase India’s influence in the existing associations. India is already a member of the **G20**, the **East Asia Summit**, and the **BRICS coalition**, and aims to increase its authority at these forums. The government also aspires for permanent membership on the UN Security Council.

India’s foreign policy involves creating institutional leadership by undertaking its own initiatives. The **International Solar Alliance** was started by India and has membership of more than **120 countries**

committed to creating solar technology and supporting the use of solar power. Other examples of India's efforts are the **Indian Ocean Rim Association (IORA)** and the **BBIN**, discussed above.

India needs to continue to evolve and engage with current global subjects, and clearly articulate its international policies, in order to gain a higher place at the table, and make its presence felt in on a global scale.

### 2.3 Advancement of Domestic Development

India's foreign policy is increasingly geared towards forging international relationships to advance its domestic targets. India has made partnerships in a variety of fields, such as technology, sourcing or capital, natural resources and securing market access, which has greatly boosted its domestic industries<sup>iv</sup>. Results of this are clear in the fact that India's **Foreign Direct Investments (FDI)** has seen a great boost (**5 billion USD**) compared to the previous fiscal year<sup>v</sup>, due to an increase in international collaboration.

Given India's objectives on an international platform, and its emphasis on improving relations with neighbouring countries, it is important to analyse recent developments of India's diplomatic actions and policies within the surrounding region.

## 3. Recent Evolution of India's Relations with its Neighbouring Countries

In order to play a vital role in the emerging multi-polar world politics, India has been developing enduring linkages between its domestic priorities and its foreign policy objectives. The current government has taken initiatives to strengthen neighbourhood relations and forge a concrete neighbourhood policy that will also benefit the region. Hon'ble Prime Minister has pursued dynamic regional diplomacy by engaging with the neighbours and augmenting political connectivity through dialogue. His effort to make cordial relations was evident when he invited the heads of the SAARC nations for his oath taking ceremony in 2014. It was a clear sign of his desire to strengthen India's ties with its immediate neighbours. The recent progress in relations with the neighbouring nations highlights the growing efforts of this government to build and strengthen its relationships with these nations.



**India and Bhutan:** Diplomatic relations between India and Bhutan were established in 1968 with the appointments of a resident representative of India in Thimphu. A landlocked nation, Bhutan is highly dependent on India for access to sea, trade and development aid. Around **79 percent** of Bhutan's total imports are from India, which provides a market for **90 percent** of its export<sup>vi</sup>. During his first foreign visit to Bhutan in 2014, the Hon'ble Prime Minister declared the expansion of bilateral ties and termed the relationship between

the two countries as “**Bharat to Bhutan**” (B2B) relations. His discussion also revolved around doubling the scholarships provided to Bhutanese students in India and offered help in setting up a digital library of two million books and periodicals in the Himalayan nation.

India is Bhutan’s largest trading partner, with bilateral trade between the nations growing at **7.3 percent** in 2015. India accounted for **79 percent** of Bhutan’s total imports (**INR 5374 crores**), and **90.3 percent** of the total exports of Bhutan (**INR 3180 crores**)<sup>vii</sup>. To build the expansion of bilateral ties, Commerce and Industry Minister Nirmala Sitharaman and Tengye Lyonpo Lekey Dorji, Minister for Economic Affairs, Royal Government of Bhutan signed the **Agreement on Trade, Commerce and Transit between India and Royal Govt. of Bhutan** on 12<sup>th</sup> November, 2016 with an aim to enhance trade between the two nations through trade facilitation by improving procedures, cutting down on documentation and adding exit/entry points for Bhutan’s trade with other nations.

In addition to this, the **Bangladesh-Bhutan-India-Nepal Motor Vehicles Agreements (BBIN MVA)** initiated through as part of India’s “**eastern strategy**”, which would help build stronger links with northern states and countries like Bhutan and Bangladesh, was passed in the lower house of Bhutan’s National Assembly with certain amendments including regulated cross border movement of vehicles.



**India and Nepal:** Diplomatic relations between India and Nepal, established on June 13<sup>th</sup> 1947, encourages democracy, pluralism, stability and socio-economic progress of both the nations. To sustain the momentum of this relationship, India announced a **soft credit line of \$1 billion** for infrastructure, irrigation and energy projects. Indian firms have been big investors in Nepal, accounting for about 40 percent of the total approved FDI. Alongside, the current government recently took up the work of starting the **5,600 MW**

**Pancheshwar project**, which had remained stalled for 18 years after the agreement. Deliberations and discussions are presently being carried out to agree upon the major issues such as the sharing of water and its benefits between Nepal and India and putting a value to the benefits in the project’s **Detailed Project Report (DPR)**. Energy from the project that is to be developed jointly by India and Nepal will be divided equally as per bilateral treaties. However, sharing of the benefits and water from the reservoir — like irrigation and flood control — are yet to be agreed upon, in terms of price and quantity.

Govt. of India’s support and aid after the Nepal earthquake has significantly strengthen the relations. Recently, Nepal’s Prime Minister Pushpa Kamal Dahal visited India from September 15-18, 2016 and held a detailed discussion with the Prime Minister and sealed three significant deals. The 66-year-old **India-Nepal Treaty of Peace and Friendship of 1950** was renewed. India and Nepal now plan to construct **Integrated Check Posts (ICPs)** on their respective sides at ports of entry in Birgunj, Biratnagar, Bhairahwa and Nepalgunj.



**India and Bangladesh:** India was the first nation to acknowledge Bangladesh as a separate and independent state and instituted the diplomatic relation in December 1971. This relationship reached new heights when Hon'ble Prime Minister of India marked the settlement and ratification of the 41-year-old boundary dispute (**Land Boundary Agreement**) and announced a **fresh line of credit of \$2 billion** to the neighbouring country in 2014. His actions were widely appreciated and helped in bridging the gaps and the mistrust that has crept in the Indo-Bangladesh relationship over decades.

In January 2016, India entered a preliminary agreement to supply **100 MW of electricity** daily to Bangladesh from the gas-based **ONGC Tripura Power Company (OTPC)** at **INR 5.50 a unit** more or less identical to the weighted average generation tariff (Taka 6.50) in Bangladesh<sup>viii</sup>. The Bangladeshi government responded by initiating the process to allow access to the Chittagong port. Meanwhile, India initiated the development of Payra Port. India also has plans to implement the proposed rail connectivity between Agartala and Akhaura junction in Bangladesh. Upon implementation, it will be a major fillip to ensure movement of passengers and goods between the two nations. Bangladesh has granted India road transit facility through its territories to Agartala under the **BBIN MVA**. This will reduce the road travel distance by over half i.e. 1,500 km. In April 2017, **22 agreements** were signed between the two governments in areas of defense, nuclear energy, cyber security and media. India agreed to support Bangladesh with a **\$500 million line of credit specifically for defense purchases**. With respect to bilateral ties, with the **new \$4.5 billion offer**, India has thrice extended lines of credits with Bangladesh and has already identified **17 projects** to utilize this amount.

However, leaders of both nations have failed to come to a consensus with **Teesta River Water Sharing Agreement**. India has been benefiting from **54 rivers** which flow into the Bay of Bengal through Bangladesh. At present, there is only one treaty between India and Bangladesh on the sharing of water from River Ganges. With the political pressure from both the nations, the leaders are unable to bring the Teesta Treaty into agreement, creating tension in their otherwise peaceful ties<sup>ix</sup>.



**India and Sri Lanka:** India and Sri Lanka share a 2500 years old relationship, built upon a foundation of intellectual, cultural, religious and linguistic interaction. Sri Lanka is India's largest trade partner in South Asia. According to Sri Lankan Customs, bilateral trade in 2015 amounted to **US \$ 4.7 billion**. Exports from India to Sri Lanka in 2015 were **US\$ 4.1 billion (up by 2.1 percent)**, while exports from Sri Lanka to India were **US\$ 645 million (up by 3.2 percent)**. From January-September 2016, the bilateral trade between India-Sri Lanka was **US \$ 3.22 billion**; exports from India to Sri Lanka were **US \$ 2.809 billion** while exports from Sri Lanka to India were **US \$ 414 million**<sup>x</sup>.

Hon'ble Prime Minister Mr. Narendra Modi, during his visit to Sri Lanka in 2015, pitched an expansion of the **India-Sri Lanka Free Trade Agreement (FTA)** and came out in favor of balancing bilateral trade, which currently favors India. Trade between the two countries grew rapidly after the entry into force of the India-Sri Lanka Free Trade Agreement in March 2000. Until recently, the two nations were negotiating to finalise the **Comprehensive Economic Partnership Agreement (CEPA)** but failed to come to a conclusion. To extend the negotiation, the **Economic and Technical Cooperation Agreement (ECTA)** is being negotiated, over and above the current FTA<sup>xi</sup>. It will encompass India's "**five fastest growing southern states**", which have a population of 250 million and a combined **GDP of \$400 billion**, and Sri Lanka's **22 million population with an US \$80 billion economy**. In addition to this, Export-Import Bank of India (EXIM Bank) on 8 March 2016 signed **Buyer's Credit Agreements**, under National Export Insurance Account (BC-NEIA), amounting to **US\$ 403.01 million** with National Water Supply and Drainage Board (NWSDB) of Sri Lanka in Colombo, for financing three water supply projects. Under the Buyer's Credit portfolio, EXIM Bank has already extended credit amounting to nearly **US\$ 185 million** to Sri Lanka for water supply and other projects.

Recently, India and Sri Lanka are in talks to jointly operate oil tanks at the strategic Trincomalee port. **73 out of 99 storage tanks** in the port will be managed under a new equity arrangement between India and Sri Lanka. Apart from an agreement on civil nuclear cooperation for peaceful use, Govt. of India has been pushing for a coal-based power project and over-and-under-sea transmission line projects connecting India and Sri Lanka.



**India and Maldives:** India's policy with Maldives has been based on support for stability, political pluralism and development. Diplomatic relations with Maldives were established in 1972. India and Maldives have consistently supported each other in multilateral fora such as the United Nations, the Commonwealth, the Non-Aligned Movement and the SAARC. Indian aid to the Maldives surged from **\$4 million in 2014 to \$30 million** in 2015 and 2016. This cooperation has further improved under Prime Minister's "**Neighborhood First**" policy, which prioritizes close ties to proximate countries. This was one of the six agreements signed between the two countries, after leaders of the two nations held talks, which continued over a working lunch. The pacts signed were in the field of tourism, taxation, conservation, SAARC satellite. However, the relations between the nations were in trouble when Maldives in 2012 decided to terminate a \$ 511 million project with the Indian Infrastructure Company GMR Infrastructure Limited (GIL).

Currently, India has provided **US \$ 100 million Stand-by Credit facility (SCF)** to Maldives, including long-term loans and revolving credit for trade. Under new Line of Credit worth **US\$40 million** offered by the Government of India to Maldives, the **Overseas Infrastructure Alliance (OIA)** of India has been given a contract to construct **485 housing units** in Maldives. India-Maldives bilateral trade now stands at **Rs.700 crores**. Under the bilateral agreement, India provides essential food items like rice, wheat flour, sugar,

dal, onion, potato and eggs and construction material such as sand and stone aggregates to Maldives on favourable terms.

**Table 1: Bilateral Trade with Maldives (in million USD)**

Period	Indian Exports	Indian Imports	Total
2010	125.5	2.5	127.5
2011	147.8	2.6	150.4
2012	147.7	2.8	150.5
2013	154.0	2.3	156.3
2014	170.6	2.9	173.5
Upto Nov 2015	205.0	1.6	206.6

Source: Brief Note on Myanmar, Ministry of External Affairs, 2016



**India and China:** Diplomatic relations between India and China were established on 01<sup>st</sup> April 1950. In 1988, the nations entered the phase of improving the bilateral relations, and in 1993 leaders of the nations signed an **Agreement on the Maintenance of Peace and Tranquility** along the Line of Actual Control (LAC) on the India-China Border Areas. Since then, trade and economic relations with China have witnessed immense progress. India- China bilateral trade, which was as low as **US\$ 2.92 billion** in 2000 reached **US\$ 70.4 billion** by 2015. India's exports to China touched **US\$ 8.86 billion** whereas China's exports were **US\$ 61.54 billion**<sup>xii</sup>. Besides trade, India is one of the largest markets for project exports from China. To enhance the education relation, India and China signed **Education Exchange Programme (EEP)** in 2006, which was revised in May 2016. EEP focuses to enhance cooperation between institutions in the fields of vocational education, collaboration between Institutes of higher learning etc.

Unfortunately, the current relations have soured due to recent tensions between the nations. The formal warning to India from China earlier this year, to restrict Dalai Lama's visit, was the first step in creating this rift. The bitterness heightened when India agree to sign '**U.S-India Joint Strategic Vision for the Asia-Pacific and Indian Ocean Region**' on January 2017, whose only operative clause was to prevent the assertion of Chinese hegemony in the South China Sea<sup>xiii</sup>. In return, China ignored India's objections to the building of a transit corridor to Gwadar through Gilgit and restricted India's petition for being a member of the **Nuclear Suppliers' Group**. It also repudiated the UN Security Council to brand Masood Azhar and Hafez Sayeed as international terrorists and accelerate the frequency of infiltration of Chinese submarines into Bay of Bengal. Recently, Indian and Chinese soldiers became locked in a standoff at Doklam for more than 50 days in the Sikkim region. The confrontation was triggered when a team of the People's Liberation Army (PLA) was prevented by Indian army from extending a class-5 track in the Dolam Plateau area, which falls under Bhutan's territory<sup>xiv</sup>.



**India and Pakistan:** Since Independence in 1947, relations between India and Pakistan have been tense, with talks around economic integration, cooperation and peace running parallel to a constant threat of war. The nations have fought wars in 1947-48, 1965, 1971 and 1999. However, these tensions did not deter the nations from working towards initiating peaceful, friendly and cooperative relations. Cross-LoC travel and trade across J&K, initiated in 2005 and 2008 respectively, was an important step in this direction. To build confidence within the business community of both nations, three agreements - **Customs Cooperation Agreement**, **Mutual Recognition Agreement** and **Redressal of Trade Grievances Agreement** were signed during the Commerce Secretaries' talks in September 2012.

This situation seemed to have improved when Hon'ble Prime Minister invited leaders of all the SAARC nations, including Pakistan, to his oath taking ceremony. The initiative was highly appreciated. However, tensions rose again when Pakistani terrorists attacked the Indian air force base in Pathankot on January 2016. This incident derailed resumption of the **Comprehensive Bilateral Dialogue** (CBD), which was a key agenda of foreign secretary-level talks. The tension escalated when Pakistan accused India of human rights violations committed in Kashmir. Further, both nations recalled their diplomatic staff after accusing each other of espionage. Due to constant firing across the LoC, the 2003 Ceasefire Agreement between the nations collapsed. After the attacks on Uri army base by Pakistan-backed terrorist, a retaliatory "**surgical strike**" by India dissolved possibilities of any discussion between the nations. Due to this constant tension, Mr. Modi did not attend the SAARC meeting in Pakistan, which was then eventually cancelled. Meanwhile, Pakistan recently opposed the construction of the Kishanganga (Jhelum River) and Ratle (Chenab River) hydroelectric power plants to be built by India in Jammu & Kashmir under the 1960 **Indus Water Treaty** (IWT).



**India and Afghanistan:** The two nations have developed a deep relationship through historical and cultural links. Indo-Afghan relations have been further strengthened by the **Strategic Partnership Agreement** (SPA) signed between the two countries in 2011. SPA provides assistance to re-build indigenous Afghan capacity in different areas, and encouraging investment in Afghanistan's natural resource. It also providing duty free access to the Indian market for Afghanistan's export support for an Afghan-led, Afghan-owned, broad-based and inclusive process of peace and reconciliation, and advocating the need for a sustained and long term commitment to Afghanistan by the international community.

Despite the lack of direct land access, India is the second-largest destination for Afghan exports. Prime Minister Narendra Modi and Afghan President Mohammad Ashraf Ghani on December 25 2016 inaugurated the newly built Afghan Parliament building. In addition to this, Mr. Modi announced 500 scholarships for the children of the martyrs of Afghan Security Forces in School and Colleges both in

Afghanistan and in India. India has constructed the new building at a cost of about \$90 million, as a sign of friendship. India has so far given **financial assistance worth over \$2 billion** to Afghanistan and has been involved in massive developmental efforts in the war-torn country. Currently, India's bilateral trade with Afghanistan stood at **\$684.47 million** in 2014-15, an increase of **0.20 per cent** and **20.41 per cent** higher than in 2010-11. India's exports to Afghanistan in 2014-15 stood at **\$ 422.56 million**, while its imports from that country were worth **\$261.91 million**. In the context of continued bilateral development cooperation, the Govt. of India decided to approve the 3rd phase of **Small Development Projects** comprising of **92 projects** in Afghanistan.



**India and Myanmar:** India's second longest border of over 1609.34 kilometres - both land and maritime together - is shared with Myanmar. Four Northeastern States – Arunachal Pradesh, Nagaland, Manipur and Mizoram too share their borders with Myanmar. Myanmar is India's gateway to South East Asia and ASEAN, with whom India is aiming for greater economic collaboration through India's '**Act East Policy**'<sup>xv</sup>. In 2014, Hon'ble Prime Minister took the opportunity to unveil this '**Act East**' Policy at the ASEAN summit in Myanmar's

capital Naypyidaw. This policy has been playing an important role to strengthen improved relations with Myanmar. The **India-Myanmar Joint Consultative Commission** meeting, held in July 2015, established an umbrella mechanism to facilitate interaction and strengthen the entire expanse of their relationships.

With the advent of political and economic transformation in Myanmar, India has been gauging the implication of its foreign policy on Myanmar<sup>xvi</sup>. To enter into a bilateral agreement, India and Myanmar agreed to sign their first trade agreement in 1970. With time, Myanmar's bilateral engagement with India in trade gained momentum. India-Myanmar trade has more than doubled in the last seven years and has crossed **\$2 billion** in 2013-14. However, much remains to be done, as India is Myanmar's distant 11th trade partner. Myanmar exports **25 percent** and imports **15 percent** of its total trade through the border from India. Border trade with India comprises of only **1 percent** of Myanmar's total border trade. India is 12th on the list of investors in Myanmar with a cumulative investment of **\$ 1.89 billion** from 1989 to 2012. Foreign direct investment in Myanmar hit **\$6 billion** in the first 9 months of the current fiscal year 2014-15. Further, Govt. of India has offered **INR 1,600 crore** contract for consulting 109 km road connecting Paletwa river terminal to Zorinpui in Mizoram border as a part of the \$484 million **Kaladan Multi-Modal Transport (KMTT)** projects in Myanmar, which offer connectivity to Mizoram. KMTT was the first major undertaken by the Indian government in Myanmar.

#### **4. Opinions from Experts and Media**

When commenting on India's foreign policy with its neighbours, a major emphasis is on the new approach taken by Narendra Modi, and involves commentary on his various visits to neighbouring states,

and the implications of the same. Further, critiques are largely centered on India's relations with neighbours China and Pakistan, and the alliances formed around existing and emerging conflicts with these nations. The following section highlights a few articles<sup>xvii</sup>, to explore the thoughts and views of prominent media houses and foreign policy analysts.

**First Post, April 2017: S.L. Narasimhan, Former Commandant and Member, National Security Advisory Board**

China's relations with neighbouring nations have had a significant impact on India's foreign policy in the region. Till recently, India has considered itself a regional leader, in terms of the resource support and diplomatic backing that it has provided to its neighbours. However, this support has decreased over time due to India's own financial requirements, the lack of implementation by Indian leaders, as well as a growing suspicion of India's ultimate agenda in the minds of smaller nations. In this context, China has now started forming strong ties with South Asian countries, putting India, as well as its neighbours, in an unfamiliar situation.

China has sent a consignment of weapons and equipment to Afghanistan in July 2016. Its relations with Nepal have seen tremendous growth, with Chinese investments in Nepal's roads, ports and airports. China has also investing heavily in connectivity in Sri Lanka, as well as provided weapons at a discounted rate during the Sri Lanka's war against the LTTE. For the first time in history, in 2014, Chinese investments in Nepal were more than that of India. China has become Myanmar's largest trading partner, and also assists the nation in handling internal conflicts. Bangladesh also has the most trade with China, with establishments of economic and industrial zones worth approximately \$25 billion, and 80 percent of Bangladesh's armed forces equipment coming from China.

This situation has created an instability with regards to India's position in the region. The small nations of the region are also unsure as to how to react to this changing situation. In order to retaliate, and preserve its relations with its neighbours, the Indian government has sought to increase its support and investments in these countries. In the meantime, China continues to stand in the way of India's foreign policy goals, such as securing permanent membership in the United Nations. India will have to develop a strategic policy with regards China, in order to overcome this frosty relationship, without which global progress will be difficult for the nation.

**The Indian Express, August 2017: C. Raja Mohan, Director of Carnegie India;  
Leading foreign policy analyst; Leading South-Asia security expert**

Recently, Bhutan and China have been in conflict over the **disputed territory of Doklam**. However, the conflict has a larger impact on Indian security, with New Delhi expressing concern that if China is allowed to build a road in the area, it will allow Chinese troops access to India's northeastern states.

Mr. Mohan writes extensively on India's relations with its neighbouring countries. He has recently analyzed India's relations with China in the context of the Doklam conflict. Unlike other commentators, he believes that **India is underestimating China's rise**, and is insufficiently prepared for the change in relations that its assertive foreign policy will bring about.

This is largely due to the present economic and military power of China, as well as the fact that China may now start questioning India's primacy in the sub-continental region. At the crux of the argument, if India decides to pushback on China's territorial claims, it may **face a backlash**. Such a situation would require a strong regional centrality and the assistance of its neighbouring allies, a situation that India must be prepared for if it commits to its present stance on the Doklam issue, and other such conflicts.

**Livemint, May 2017: Harsh V. Pant, a Fellow at the Observer Research  
Foundation**

A starkly different view of the risk-taking nature of the new government's foreign policies is presented. In his recent article, he examines how the new and dynamic nature of India's policies may work to its advantage.

He compares the new approach to the previous one of tacit and stealthy responses to the developments in global politics. Mr. Modi has adopted a system of **confronting foreign policy in a public and direct manner**. It is due to this change that India is now asserting itself with China, and doing away with its previous attitude of non-alignment. The present policy is **now based purely on reciprocity**, and India is **using global powers like USA, Australia and Japan** to stabilize its position in the East. Due to this shift in stance, **India is no longer the predictable global player** that it used to be. According to Pant, this could work in its favour and be used as a **strategic tool** to achieve its regional and international objectives. It is India that is now testing the boundaries and capabilities of its neighbours, a phenomenon faced by India throughout its history.

Thus, though some criticize India's new robust and self-assured approach to diplomacy, many believe that it will help the country gain a greater foothold and progress much faster. The challenges that an aggressive foreign policy poses should be able to be overcome as long as India manages its military and finances, and brings in a strong defense policy.

### Outlook, July 2017: Ashok Swain – Professor, Peace and Conflict Studies

In an analysis of the approach of the new government, termed the 'Modi Doctrine', the article discusses the tangible achievements made in the past 38 months. It concludes that India's diplomatic relations with its neighbours have deteriorated since the Modi government has come into power. Its relationship with Pakistan is referred to as being at its lowest point, and the government's 'hard stance' compared to that of the previous regime seems to have 'fallen flat' with Kashmir drifting further away from Indian control.

Meanwhile, India's border disputes with China have led to the first real threat of full-scale war in the recent past. This conflict has led to China not only threatening military action, but also hinting support to Pakistan with regards the Kashmir issue. The article terms Mr. Modi's foreign policy as one that has turned China into an 'open adversary', and points out the glaring problems with such an approach. Such a policy puts India at risk of becoming isolated, not only in South Asia, but also the world.

In such a situation, recommendations point towards the present government taking a more diplomatic and less aggressive stance towards continuing foreign policy issues, in order to ensure space to maneuver and be able to choose next steps carefully.

### The New York Times, January 2016: 'India and Pakistan Try Again'

Regarding its foreign policy towards Pakistan, the current government has taken a much stronger stance on security issues than its predecessor. According to the New York Times, a leading international media house, this approach has resulted in a tumultuous relationship, with domestic pressures marring a potential alliance between the two nations.

The Indian Prime Minister visited Pakistan in a historic meeting in December 2015. However, post this, high-level talks with Pakistani president Mr. Sharif were cancelled, and diplomatic relations fell sour. While Modi has recognized and publicised that a positive relationship with Pakistan is essential in order for India to achieve its domestic goals, and become an economic superpower. However, actions and statements of members of the Indian bureaucracy and political parties against Pakistan have made this task considerably harder.

The article states that continued conflict with Pakistan would have an adverse effect on India's progress and international trade. To overcome this, Mr. Modi must create a personal dialogue with Pakistani leaders, in order to bridge the trust deficit and ensure peace between nations.

From the above analyses, it is clear that there is a common thread of apprehension regarding the forceful stance taken by India in its new foreign policy regime. So far, the intensified conflicts between India and both Pakistan and China have both journalists and analysts believing that India is currently ill prepared for the impacts that its existing policy would have, on both an economic and a military front. It is believed that China's growing alliances and investments in neighbouring nations of Bangladesh, Sri Lanka and Myanmar have put India on edge, and increased its desire to establish itself as a regional power. However, opinions are still divided, with several critics lauding the new approach, claiming that an objective and goal-oriented foreign policy has the potential to achieve improved relations and accelerated growth.

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### Endnotes:

- i [https://www.mea.gov.in/Uploads/PublicationDocs/23979\\_MEA-Brochure-6thSep2014-RE-LR.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/23979_MEA-Brochure-6thSep2014-RE-LR.pdf) accessed as on 13<sup>th</sup> August, 2017
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