

**EVOLUTION OF RUSSIA-INDIAN
POLITICAL RELATIONS
1991-2000**

*Dissertation submitted to Jawaharlal Nehru University
in partial fulfilment of the requirements
for the award of the Degree of*

MASTER OF PHILOSOPHY

NONGMAITHEM MOHANDAS SINGH



**CENTRE FOR RUSSIAN, CENTRAL ASIAN AND EAST EUROPEAN STUDIES
SCHOOL OF INTERNATIONAL STUDIES
JAWHARLAL NEHRU UNIVERSITY
NEW DELHI-110067
INDIA**

2003



JAWAHARLAL NEHRU UNIVERSITY

School of International Studies

New Delhi - 110067

Tel. : 2670 4365 (Direct)
26107676, 26167557
Extn. 4365, 4399
Fax : (+91)-11-26165886
(+91)-11-26198234

Centre for Russian, Central Asian and East European Studies

Date: 21.07.2003

DECLARATION

This dissertation entitled, "**Evolution of Russia-Indian Political Relations 1991-2000,**" submitted for the Degree of **Master of Philosophy** of Jawaharlal Nehru University has not been previously submitted for any other degree of this or any other University and is my own work.

N. 

Nongmaithem Mohandas Singh

We recommend that this dissertation may be placed before the examiners for evaluation.



Prof. Anuradha M. Chenoy

(CHAIRPERSON)
Prof. Anuradha M. Chenoy
Chairperson

Centre For Russian, Central Asian
& East European Studies School of
International Studies
Jawaharlal Nehru University
New Delhi - 110067



Prof. Anuradha M. Chenoy

(SUPERVISOR)

ACKNOWLEDGMENT

I would like to express my gratitude to a number of my well-wishers who have helped me in various phases of this work and acknowledge their inspirations. First of all, I would like to give special thanks to my supervisor, **Prof. Anuradha M. Chenoy**, who took special care in guiding me in accomplishing this work. And I am extremely grateful to her for inspiring me throughout, and make further suggestions for the improvement of this work. Without whom this work would not have been possible. I would like to thank all the staff members of Jawaharlal Nehru University Library, IDSA Library, Central Secretariat Library and America Library for their kind cooperation during my material collections.

Finally, I would like to express my gratitude to my parents and elder brother who always motivated me throughout. I am also thankful to my colleagues Syed Ahmed, Homen, Rajiv, Rajeev, Kashamthai and Kishore who helped me in reading the manuscript and giving suggestions therein.

NONGMAITHEM MOHANDAS SINGH

PREFACE

The overarching theme of this work is to present, in general, the changes in the foreign policy between India and Russia, in particular, to their political relations. Since the disintegration of USSR in 1991, several changes took place in the international politics as well as in Russia foreign policy itself, which led to the end of Cold War. The relationship between the two countries still remains time-tested and friendly. However, the uncertainties of the post-cold war in their socio-economic and political development have thrown up some new elements. Thus, in this work, several new factors that influenced the ties between the two countries are analysed in the overall context of the evolution of political relations between the two nations.

ABBREVIATIONS

This is some of importance abbreviations that are used in this work.

NATO	North Atlantic Treaty Organisation.
SEATO	Southeast Asia Treaty Organisation.
CENTCOM	Central Command.
IMF	International Monetary Fund.
NPT	Nuclear Non-Proliferation Treaty.
CTBT	Comprehensive Test Ban Treaty.
CIS	Commonwealth Independent States
LDPR	Liberal Democratic Party Of Russia.
JWG	Joint Working Group
MOU	Memorandum Of Understanding
HAL	Hindustan Aeronautics Limited
IRIGC	Inter-Governmental Commission
RAM	Radar Absorbent Materials.
IGCMTC	Inter-Governmental Commission for Military-Technical Co-operation.
ILTP	Integrated Long-Term Programme of Co-operation.
ICAP	Institution for Computer Aided Design.
ACCI	Associated Chamber of Commerce and Industry.
FICCI	Federation of Indian Chamber of Commerce and Industry.

- NAM**..... Non-aligned Movement.
- SAARC**..... South Asian Association of Regional
Co- operation.
- ASEAN**..... Association of South East Asian
Nations
- IAEA**..... International Atomic Energy Agency.

Dedicated

to

my Grandfather

Late. Nongmaithem Shakngou Singh

CONTENTS

	Pages
<i>Acknowledgement</i>	<i>i</i>
<i>Preface</i>	<i>ii</i>
<i>List of Abbreviations</i>	<i>iii - iv</i>
CHAPTER - I	1-27
<u>Introduction: Background to Soviet-Indian Political Relations</u>	
CHAPTER - II	28-49
<u>Indo-Russian Political Relations 1991-1996</u>	
2.1 Russia and India: The initial stage of new Russian foreign policy.	
2.2 Changes in the attitude towards India in its Asian policy.	
2.3 Kashmir issues.	
2.4 Exchange of the State Visits: India and Russia.	
2.5 Turning point to more closer relations 1996.	
CHAPTER- III	50-81
<u>Indo-Russian Political Relations: 1998-2001</u>	
3.1 India's Nuclear Tests (Prokhran-II) and Russian Stand	
3.2 Prime Minister, Yevgney Primakov official visits to India and aftermath.	
3.3 Russian response on hijacking of Indian Airlines Plane and Kargil war.	
3.4 President Vladimir Putin visit to India and signing of "Strategic Partnership".	
3.5 Prime minister Atal Behari Vajpayee official visit to Moscow	
CHAPTER- IV	82-111
<u>Indo-Russian Economic Relations</u>	
4.1 Historical Background.	
4.2 Disintegration of USSR and Indo-Russian Economic Ties.	
4.3 The Russian Economic Crisis.	
4.4 Defense co-operations.	
4.5 Composition of the Trade.	
CHAPTER- V	112-119
<u>Conclusion</u>	
Appendix	120-124
Bibliography	125-133

CHAPTER - ONE

INTRODUCTION: BACKGROUND TO SOVIET- INDIAN POLITICAL RELATIONS

Chapter-I

INTRODUCTION: BACKGROUND TO SOVIET- INDIAN POLITICAL RELATIONS

The cordial relation between Soviet Union and India started from the mid 50's, although diplomatic relations was established on 13th April 1947.¹ Indo-Soviet political relations have been harmonious for several decades. No other third world country has enjoyed such broad and stable relations with the USSR. Through out the Soviet era until its collapse in 1991, the major concern of Soviet Union international relations was the USA while Pakistan was a focus of India along with the idea of establishing an independent space for itself in the international political system. The shift in Soviet's Asia policy in the mid 1960's was the main obstacle to Indo-Soviet political relations till the late sixties. Both the countries assumed the importance of each other with increasing pressure in their security perspectives since US-China-Pakistan alliance posed a threat to them. The political relation between the two countries were strengthened after signing of Indo-Soviet treaty of friendship, peace, and co-operation in 1971 with the subsequent support by the Soviet Union to India over the Kashmir issues, and help in consolidating the ties between the two countries. However, a change took place with the launch of Gorbachev's new political thinking in its policy.

¹ Devendra Kaushik, *Soviet Relations with India-Pakistan*, Delhi: Vikas Publication 1971, p.26.

The initial stage of developing the political relations between the two countries would be better understood through the context of Soviet's third world policy. Despite the establishment of the diplomatic relations with the Soviet Union, the Indo-Soviet relations could not develop along friendly lines on the account certain barriers between the peoples of two countries, although, the Soviet Union delegate supported India's demand for independence and stood firmly on Indian side against the issue of racial discrimination towards the Indians in South Africa in April 1945, at San Francisco Conference of the UN. But the presence of foreign capital in India and its continued membership in the British Commonwealth of nations created suspicion in the Soviet Union leaders that India is still an Anglo-American Colony.² And Soviet Union leaders thought that India was nominally free, but it was economically bound hand and foot to the chariot of western imperialism. Likewise unwillingness of Soviet Union to support India the question of Kashmir in January 1948 and approval of the Indonesian Dutch agreement of December 1949 contributed to further differences between the two and prevented development of friendly and co-operative relations.

During this period, the Soviet Union supported the national liberation movements in China, which were headed by communist parties. Moreover, the Soviet Union was preoccupied with its own post war problems such as rehabilitation of the war devastated economy and the threat posed to its own security by the western powers, which

² J.A.Naik, *Soviet policy towards India: from Stalin to Brezhnev*, Delhi: Vikas Publication 1970, p.49

belated the development of its closer relation with the newly independent countries in various part of the world, including India.

The political relationship between India and the Soviet Union took place during the last days of Stalin era (1950-53). The changed attitude of the Soviet Union towards India was evident from the fact that in 1950-51, Soviet Union sent five ships loaded with food grains to help Indian food shortage. In 1952 when the Graham Report on the Kashmir issues was presented in the UN Security Council, Soviet Union representative criticised the report and alleged that the Kashmir problem was not being solved because of the interference of Anglo-American bloc, which was supporting the aggressive policy of Pakistan. Soviet Union also opposed the idea of sending foreign forces to Kashmir and thus adopted clear friendly postures towards India. Here, it can be noted that Soviet policy towards Kashmir was prompted by the geostrategic location of the areas.

It is important to note that India at this juncture had been developing its influencing power in international relations in an impressive way. This increasing role in international politics as well as its strategic location, made the Soviet Union reconsider its perception of India, which was the main driving force during the Josef Stalin period. On 30th December 1949 the Indian government recognised the People's Republic of China and supported its participation in UN, as an independent anti-colonial power in and outside the UN. Again, in

same year, India raised the Indonesian question in the UN.³ In 1951, India refused to sign the Japanese peace treaty. The Korean War (1950-03) issue was brought to the UN Security Council in June 1950. It was under their policy of the containment to the communist expansion that the US led allies passed a resolution and condemned North Korea as an aggressor, and demanded that it withdraw to the 38th parallel. When it was put for vote, India abstained from voting, although India, earlier voted in favour of the resolution. It refused to accept the Unity for Peace Resolution when the UN General Assembly passed, which highlighted convergence of their interest with that of the Soviet Union. So, it confirmed the independence of Indian foreign policy and demonstrated the benefits of Indian nonalignment policy. Simultaneously, the Soviet Union begins to ease their harsh line toward the third world countries after the death of Stalin in March 1953. In the report to the Supreme Soviet in August 1953, G.M. Malenkov, Chairman of the Council of Ministers, acknowledged the importance of India in its Asian policy.⁴

Since then, both the countries diversified their relations, and a comprehensive trade agreement was signed in December 1953.⁵ Soviet Union agreed to finance and build for India one of the most modern steel mills in Asia at a cost off \$ 140,000,000. This significant change in Soviet foreign policy coincided with important developments that took place in Asia. The western countries led by USA started the

³ Ibid., p. 50

⁴ Robert C. Horn, *Soviet-Indian Relations: Issues and Influence*, New York: Praeger 1982, p.3.

⁵ Jyotirmoy Banerjee, "Security Relation", *Seminar*, New Delhi, no.265, Sept.1981, p.12.

containment policy towards the rapid spread of communism in Asia. On the other side, a diplomatic offensive was therefore launched by USA to press independent Asian governments in order to bring into the military alliance. In the meantime, the Cold War tension was escalated in Europe. From the Soviet Union point of view, the emergence of China, the creation of the SEATO, and also the establishment of American military alliance with Southern Vietnam, Thailand and Pakistan posed a threat to their national security interest as many of these countries had a close boundary with Soviet Union.⁶ Thus, the importance of Asian geopolitics as well as its geostrategic location for Soviet Union had gradually developed. And their main attention was towards India since the Pakistan was firmly within the US led military circle, and the other states of both the South and South-East Asia were not strong enough as compared to India. In the meanwhile, India was the only country in Asia, who strongly resisted and neutralises the growing hegemonic power of China and United States. Certain development like Pakistan's joining to the SEATO, the Baghdad Pact etc. became the major concerns in India's foreign policy.

At this juncture, efforts were also made to overwhelm India by USA into its military groups (NATO). The main motive behind the American supply of military aid to Pakistan in 1953-4 can also be seen as USA's policy to compel India to seek an alliance with the US.

⁶ R.Vaidyanath, "Some Recent Trends in Soviet Policies Toward Indian and Pakistan", *International Studies* (New Delhi), vol. VIII, no.4, July 1965-April 1966, pp. 430-433.

India's strong standing army was seen by US as a sources of mass army in Asia. But it turned out to be quite contrast to India's strenuous efforts to make peace in Asian region. And its military assistance to Pakistan rather worsened the existing environment e.g. explosive problems of partition still remained unsolved and, give a threat to Indian security too.⁷ So India's refusal to be part of the US sponsored network of military alliances was quite natural. The Soviet Union leaders viewed this India's neutral stand as a minimum requirement for ensuring the Soviet Union security.⁸ Thus, it is clear that security concerns of both the countries are important causes that strengthened political ties between Soviet Union and India in the mid-1950's.

Thereafter, the main aspects of the Soviet's policy towards India in particular, and Asia in general was underlined by the following: Firstly, it was perceived that helping India in strengthening as a regional power could help the Soviet Union's effort to keep the region away from other powers. Secondly, close ties with India, which was the chief founder of the non-aligned group, was seen by Soviet Union analysts as a mean for easy access to other third worlds countries. Last but not the least, India could be a sort of bridge between the East and West in it Cold War strategy.

The evolving political relations between India and the Soviet Union that had languished between 1947-1954 got on to a better start

⁷ Harish Kapur, "The Soviet Union And Indo-Pakistan relation," *International Studies* (New Delhi), vol.8, no.1-2, July1966- April 1967, pp.150-155.

⁸ Nirmala Joshi, "Regional Situation," *Seminar*, no.6, p.17.

in 1955 with frequent state visit. In June 1955 Indian Prime Minister, Jawaharlal Nehru visited Moscow. His visit strengthened the friendship between the two countries. Besides it brought a closer and sympathetic relation between peoples of India and the Soviet Union. At the end of that visit Jawaharlal Nehru and the Chairman of the Council of Minister of the USSR, on 22 June 1955, signed a Joint Statement, which emphasized that their relations would be based on five principle of peaceful co-existence. During his discussion with Soviet Union leaders including Khrushchev and Bulganin, resemblance in their position on a various issues was initiated such as international recognition of China and appeal for improving Soviet-Yugoslav relations and disarmament.⁹ Apart from this the leaders of both the countries sought to promote and strengthen relations between two countries in the economic and cultural fields in the interest of mutual benefits to India and Soviet Union.

An important landmark in Indo-Soviet relations was the visit to India by Soviet Union's delegates led by first secretary of the Soviet Communist party, Nikita Khrushchev and Nikolai Bulganin in December 1955. The Soviet Union gave priority to the Indian government, and Khrushchev publicly rendered valuable support to India's position on Kashmir and Goa in the UN.¹⁰ Under the Indo-Soviet joint declaration both the leaders agreed to create peace in the international situations and promote the cause of peace and co-

⁹ Bimal Prasad, *Indo-Soviet relations 1947-1972: A documentary Study*, New Delhi: Allied Publication 1973, pp.103-06.

¹⁰ Peter J.S.Ducan, *The Soviet Union and India*, London: Routledge 1989, p.16.

operation between nations. Apart from this both the countries welcomed the conference on Indo-China crisis held in Geneva. The conference brought an end to a disastrous war in the region and laid down a procedure for the settlement of the problems. During the reception ceremony by the Premier of Kashmir, on 10 December 1955 in Srinagar, Khrushchev stated, "the question of Kashmir as one of the states of the republic of India has already been decided by the people of Kashmir". By its very geographical location Kashmir remains as a striking toward the Soviet Union leaders. Khrushchev decided to support India on the Kashmir issue as it was seen that the inclusion of Kashmir in a non-aligned, friendly India would better served Soviet Union interests than its enclosure in unfriendly Pakistan.¹¹

A new phase that ushered in Indo-Soviet relations were based on mutual understanding and co-operation that became the cornerstone of India's foreign policy. The development of the role of India with nonalignment as the core of its foreign policy (in the national liberation movement), was started to received a positive appraisal from various Asian countries. It was against this background that the government of the USSR welcomed the Bandung Conference in April 1955, which was the non-aligned Asia-African countries response to the Southeast Asia Treaty Organisation (SEATO), a Cold War military pact established in September 1954

¹¹ J.A.Naik, *op.cit.*, p.91.

under US policy in Asia,¹² where Jawaharlal Nehru played a leading role.

The coincidence of national interest of the Soviet Union and India in the global and the regional relations further buttressed the relations between the two countries. In the Suez crisis of 1956 both the India and Soviet Union adopted a common approach condemning the predatory character of the Israeli-Anglo French aggression against Egypt. However the same year some misunderstanding developed between the two countries on account of the India's stand on the issues of Hungary. India demanded that the people of Hungary should be allowed to determine their future according to their own wishes and the foreign forces in the country should be withdrawn. Nehru also asked for the installation of the government by conducting the elections in Hungary under the supervision of the UN. This stand of India was greatly resented by Soviet Union and created a sort of rift between the two countries. Soviet Union also felt unhappy over Indian decision to send troops to Congo in 1960 and Indian criticism of resumption of nuclear test by Soviet Union. All this generated tension in Indo-Soviet ties. However, this tension proved only temporary and soon the relations between the two showed an improvement.¹³ Soviet Union not only agreed to provide assistance for the Third five-year plan of India, but also agreed to supply oil to India at cheaper rates.

¹² Ramesh Thakur and Carlyles A Thayer, *Soviet Relations with India and Vietnam*, London: Macmillan 1992, p. 33.

¹³ S.P.Singh, *Political Dimensions of India-USSR Relations*, New Delhi: Allied Publication 1987, pp. 55-56.

The existing relations between the two countries is explained by T.N.Kaul, 'the national interest of both the countries did not always coincide, but they do not clash. It was their interests to enlarge the areas of agreement and the area of peace and co-operation in the region as well as in the world in general.'¹⁴ The Kashmir Question was again brought up to the Security Council in 1956, and during the meeting the draft resolution sponsored by the UK, the USA, China, and Australia was put to vote on 20 February. It recommended the dispatch of UN forces to Kashmir in order to conduct a plebiscite. The Soviet's representative Sobolev, in the same meeting, beseeched for "direct approach" of 'bilateral negotiations' for the peaceful settlement of Kashmir Question, and it used veto against the resolution in the Security Council.¹⁵ And in numerous occasions, the Soviet Union made it abundantly clear that Kashmir was an integral part of India, requiring no international solution. This support made the Indian leaders realized that the Soviet Union was the most dependable friend of India.

In early 1960's, Sino-Soviet ties of friendship and alliance of 1950 came to deteriorate with the increasing differences between the two countries over their policies pursued in international affairs. So, a change could be noted in the Soviet's policy toward China. These developments paved the way for further strengthening the ties between the India and Soviet Union. Sino-Indian border clash took

¹⁴ T.N.Kaul, 'Indo-Soviet Friendship.' in P.N.Haksar, et.al, '*Studies in Indo-Soviet Relations.*' Indian Centre For Regional Affairs, New Delhi: Patriot Publication 1986, pp.22-28.

¹⁵ SCOR, Year 12, mtg 773, (20 February 1957), pp.4-6.

place in 1962, which provided the evidence of this development. The Soviet Union at first, took a stand of neutrality, which caused considerable dismay by the Indian government. The Soviet Union was compelled to take the stand since China provided her a positive stand on its side in their confrontation with the US over the Cuba missile crisis. Soviet Union reversed its earlier stand as the Cuban crisis began to recede and started accusing China for fomenting a crisis.¹⁶ Thus, the Soviet Union turn back to a policy of cordiality towards India, which was manifested by the Soviet Union military and economic assistance given to India. Moscow granted the license to New Delhi to produce and supply MIG-21 jet fighter, which was the backbone of the Indian Air Force. The main reason behind the Soviet's assistance was that her stand of neutrality would push India towards America defence establishments. Since then Moscow stepped in to fill India's defence needs, and India was the only non-communist country in 1960's to obtain such a favour from the Soviet Union.

However, in the mid sixties change took place in their foreign relationship, which had its impact on their political ties. Soviet Union changed its Asian Policy in 1960's with the increasing influence of China in Asia, who becomes one of the nuclear power club members in 1964. The Sino-Pakistan relations were also took a turn with signing of a border agreement on 2 March 1963. At this juncture, India appeared too weak from the Soviet's point of view and also its

¹⁶ R.Vaidyanath, "The Reaction of the Soviet Union and other communist States (to the Sino-Indian Conflict)", *International Studies* (Bombay), 5 July- October 1963, pp.70-74.

role in the chain of South Asian Security with its disastrous performances in 1962 Sino-India border clash. Thus, the Soviet Union had showed less interest in helping India's stand on various international issues.¹⁷ The Sino-Pakistan rapprochements became a cause of concerns for the Soviet Union in the South Asia as it caused a threat to its national interests in the region. Naturally, it was quite necessary from the Soviet Union points of view to wean away Pakistan from China.¹⁸ The Soviet Union, thus, established the relation with Pakistan in mid sixties. However, it dexterously pursued a policy of balancing between the Pakistan and the India in post 1962 environment.

But, the death of Jawaharlal Nehru in May 1964, and the ouster of Nikita Khrushchev from power reinforced the downgrading of the Indian connection by the Soviet Union Leaders, and these marked the end of the euphoric days of Indo-Soviet friendship. Therefore, the change in the Soviet Union's policy toward Pakistan caused much concern in India. As a result, Indian Prime Minister L.B. Shastri paid a visit to Moscow just after the Pakistan President, Ayub Khan's visit to that country in order to reconstruct the political ties in healthier approach. However, the economic ties between the two countries phenomenally improved. For instance, the trade transaction in 1953-

¹⁷ Ramesh Thakur and Carlyles A. Thayer, *Soviet Relations with India and Vietnam*, London: Mac Millian 1992, p.34.

¹⁸ *Ibid.*, p.35.

54 was recorded up to Rs. 65 million and it was further increased to Rs. 3.38 billion in 1963-64, and Rs. 13 billion in 1974-75.¹⁹

In the second half of the sixties the political relations between the two countries was marked by the growing confusion between the Soviet Union and India. However, the development of relations between the Soviet Union and Pakistan did not bring about any change in the Soviet's stand on India's Kashmir issue.²⁰ In fact, the Soviet Union wanted to balance the relations between the Pakistan and India in its South Asian Policy. Therefore, the Soviet Union stayed officially neutral during the Indo-Pakistan border clash of 1965 in the Rann of Kutch while expressing hope that the clash would be settled through direct negotiations taking into account the interests of the two countries. But it continued to supply arms to India.²¹ Moscow's position of neutrality over these issues was clearly motivated by their own geopolitical doctrine of South Asia, which stressed the security of the Soviet Union. Actually, Moscow did not want to bring another external power to the region, although it is a matter of fact that the Cold War had already reached the region.

Interestingly, China on the other side had frequently sought the assistance of military support to Pakistan during the Indo-Pakistan conflict. The Chinese Foreign Minister Marshal Chen Yi extended complete support to Pakistan. This stand of Chinese to Pakistan threatened India with a possible second front in the war caused the

¹⁹ Bharat Wariavwalla, "Indo-Soviet Relations: Need for More Content," *Strategic Analysis* (New Delhi), vol. 1, no. 6, September 1977. pp.5-7.

²⁰ S.P.Singh, *op.cit.*, p.117.

²¹ Peter J .S. Duncan, *op.cit.*, p.17.

Soviet Union to re-asserts its earlier position on the same issues. Soviet Union Premier, A.N.Kosygin asked both the leaders of the countries to maintain immediate cease-fire. Hence, both India and Pakistan reached Moscow from the request of Soviet Union. Pakistan brought up the Kashmir issues and sought a solution in its favour, India, on the other hand, made it known that its sovereignty over Kashmir could not be a subject of negotiation.²² A breakthrough came after the Tashkent agreement in January 1966, which came just after the leaders of both the countries accepted the UN Security Council's resolution. The success of the Tashkent agreement was a victory of Soviet Union diplomacy in the South Asia in particular and in general for the world politic.

However, the political ties between India and Soviet Union remained at a low point. The Soviet Union still engaged in arms selling to Pakistan even after the continued emphasise to Moscow that this act could only harm the traditional ties with India. Between the year 1966 and 1968 the Soviet Union increased its military relations with Pakistan and sold it helicopters and other military hardware. The Soviet Union Premier, Kosygin, diplomatically decided to visit India and extends the assurance regarding the continuity of its earlier stand on India. But it remained unsatisfied as the Soviet Union made the arms deal with Pakistan in July 1968. At the same time, Mrs. Indira Gandhi, the then prime Minister of India, tried to develop the relations with China. And in reaction, while talking to newsmen in Calcutta on

²² *The Statesman (weekly)* 8 January 1966, p.3.

10 July, Mrs. Gandhi said, "we are not happy with the reported Soviet Union offers of arms to Pakistan."²³

The Indo-Soviet relations in late 1960's was characterised by lack of high quality of understanding. First, India was disappointed with Soviet Union maps, which showed the border territory of Aksai Chin, as part of China, which was ~~claimed by~~ claimed by India. Secondly, as the reaction to development of the arms deal between the Soviet Union and the Pakistan, Indian government responded the Soviet Union invasion of Czechoslovakia (21 August 1968) with a critical view on it. During the discussion in the Security Council over the Soviet Union invasion of Czechoslovakia, the Indian delegate, G.Parthasarathi, demanded the immediate withdrawal of the Soviet Union troops and asked for the safety and security of its people. He also expressed India's firm "respect for the sovereignty, independence and territorial integrity of Czechoslovakia."²⁴

In 1969, the Sino-Soviet relations were at a low point. It was further worsened in March because of the clash on the Ussuri River, and posts a threat to Soviet Union in its Asian policy. Three month later, on 7th June Lenoid Brezhnev released a proposal for a collective security system in Asia, which was aimed at China. However, India refused it as the concept of a collective security system of Asia otherwise known as Brezhnev Doctrine as it could bring a trouble in the path of long-time improvement of the Sino-Indian relation, as well

²³ *Statesman* (Calcutta), 10 July 1968.

²⁴ SCOR, year 23, mtg 1443, 22 August 1968, p.26.

as the proposal violated the essence of non-alignment.²⁵ Nothing has change in India's position on the Soviet Union scheme of collective security in 80's too. Mikhail Gorbachev initiated a change in 'Brezhnev Doctrine' of 1969 of Asian-Pacific security but Prime Minister Rajiv Gandhi refused to accept it. A change was made in Brezhnev's collective security system; the main aim was to contain China, whereas Gorbachev's version of the Brezhnev Doctrine was for the normalisation of relations with Beijing. The Sino-India relations, at this juncture, also deteriorated with the Chinese attacks and its effort to be a hegemonic power in the region. So, India clearly acknowledged that not withstanding the divergence in some areas of their interest the ties could not totally erased the significance of each other importance in preserving the peace and stability in the region as well as in the world from the power hunger nations.

Yet, the convergence of their (Russia and India) national interests in various international events e.g. the Middle East crisis and Vietnam, as well as Southeast Asia, further united both the countries, more or less, in years to come. In the Middle East crisis, both Soviet Union and India asked for the immediate withdrawal of the Israeli troops from the occupied Arab territory, and extended the support to UN sponsored peacekeeping mission. Thus, the differences of late 60's has no further impact on the traditional relations between the two nations.

²⁵ Ramesh Thakur and Carlyles A Thayer, *op.cit.* , P.36.

The change in political environment of the Indian subcontinent led Indo-Soviet relations' turns into a new phase of mutual friendship and co-operation's in 1970's. The political turmoil in East Pakistan under the military government of Pakistan with a wave of violence resulted the outflow of millions of refugees into India in early 70's. As a result, the political tension between the India and Pakistan provided an opportunity to China to strengthen their hegemonic power by influencing the events in support of Pakistan. Meanwhile the proposed visit to Peking by US President, Richard Nixon in July 1970 all together shook both India and Soviet Union. Apart from this the rapprochement of the Sino-USA relations, the Sino-US-Pakistan axis was building up. Moreover, the Chinese premier, Chou-an-lai's extended support to Pakistan and made public that India's support to East Pakistan was an act of aggression against Pakistan.²⁶Therefore, it made both India and USSR consider their security concerns and emphasising the need to support each other in such a situation. Actually, at the ousted of the conflict between the India and Pakistan, Soviet Union had shown its neutrality. During the visit of Indian Foreign Minister, Swaran Singh to USSR in June 1971, Moscow emphasised the need of bringing normalcy in the region as the war could bring the external power in it. Under this circumstance both the Soviet Union and India changed their earlier stand and a joint effort was made to deter the out brush of war in the sub-continent. It was

²⁶ Raghunath Ram, "Soviet policy towards India from Tashkent to the Bangladesh war," *International Studies* (New Delhi), vol.22, no.4, 1985, p. 365.

under this condition that Indo-Soviet treaty was sign on 9 August 1971.²⁷

The treaty of peace, friendship and co-operation has a preamble and 12 articles. From the Indian interest Articles IX was the most significant one that emphasized the need of abstaining from providing any assistance to any third party that engages in arms conflict with other party. It further mention that if a party (India or Soviet Union) being subjected to an attacked or a threat thereof, the High Contracting parties shall immediately enter into mutual consultation or allowed to take effective measures to ensure peace and the security of their countries. According to Articles X, both the side should not participate in any military alliance, nor shall be entered with another states.²⁸

Moscow, thus, turned its balance policy between India and Pakistan into India centric policy. The Soviet Union stood firmly on Indian side when the full-scale war broke out between India and Pakistan. Apart from supplying arms to India, Soviet Union also warned of the bad consequence if any third country interfered on the Indo-Pakistan conflict. From India's national security interest viewpoint Soviet Union support was a long-felt need of the country since the Sino-India relations were deteriorated, and the Sino-Pakistan relations were developed into a new dimension through Sino-US-Pakistan axis. Moreover the Soviet Union vetoed three attempts in

²⁷ *Times of India*, 10 August 1971.

²⁸ *Ibid.* ,

the Security Council from the Pakistan allies in ordered to impose a ceasefire before a decisive military solution had been achieved, which was aimed to rescue the Pakistan military regime.²⁹ Thus, it further foiled the pressure from US and China's attempt to censure India at the international community.

An Indo-Soviet political relation had developed into a dynamic one just after the signing of Indo-Soviet treaty of friendship, peace, and co-operation in 1971. However, the differences in Brezhnev collective security system were remained unchanged, and it was omitted several times in numerous meeting between the two countries. India restored ambassadorial relations with China in 1976 and extended support to China in candidacy for the Manila-base Asian development bank. From national security perspective it was the right move in it effort to bring a peace to the region. In June 1976 Indian Prime Minister, Indira Gandhi, visited Moscow to reassure about Sino-Indian relations and for the improvement of the economic relations with Soviet Union. In response, Brezhnev reaffirmed Moscow's support for her internal policies.³⁰

The state visits between India and Soviet Union in 1977 eliminated the suspicions of the shift in Indian's foreign policy under the Janata government. Moraji Desai, the Indian Prime Minister, visited USSR in October 1977, when he was invited to USA. The priority which Janata government has given to USSR by visiting to

²⁹ SCOR, year 26, mtg 1613, 13 December 1971, pp. 72-93.

³⁰ *Statesman*, 15 June 1976. See also Peter J.S. Duncan, *The Soviet Union and India*, London and New York: Routledge 1989

that country before going to the USA falsified expectations of damage to Indo-Soviet relations resulting from the change of government. It reaffirmed that co-operation between the India and Soviet Union could further develop in the spirit of Indo-Soviet treaty. Almost one year later, Prime Minister, Moraji Desai visited to Moscow followed by Foreign Minister, A.B.Vajpayee visit to that country in September 1978. There, A.B.Vajpayee informed the Soviet Union leaders of Indian's effort to normalise relations with China and Pakistan.

The difference in position again came up during Soviet Union Premier, Kosygin, and visit to India in 1979 over several international events. For instance, India refused to recognise Chinese attack on Vietnam as aggression and to recognise the Heng Samrin government in Kampuchea, which had been installed by the Vietnamese army, and also over the Soviet Afghanistan invasion. But with the return to power of the congress party in the centre under Mrs. Indira Gandhi in 1980, the Heng Samrin regime in Kampuchea was recognised. India, however, remained unchanged in its position regarding the Soviet's invasion of Afghanistan in the late 1979.

The Indo-Soviet political relations in the 1980's were marked by convergences and divergences of their view over the regional and global issues. During the UN General Assembly special session regarding the Soviet's invasion of the Afghanistan, a draft resolution was passed by a vote of 104-18 in early 1980. In this session India had been given a signal of a certain distance from Moscow on Soviet Union's Afghan misadventure by the abstention in the annual general

assembly votes. The critical stand by India remained the same even after Gorbachev's announcements of the withdrawals of the Soviet Union troops to the Indian Parliament during his visit to India in November 1986. However, Moscow had given the explanation of its action in Afghanistan during Foreign Minister, Andrei Gromyko, trip to India in February 1980. He also highlighted the need for common approach by India and Soviet Union against the rapprochements of US-China-Pakistan collusion in the region.³¹ Moreover, the two countries agreed not to play up their differences on Afghanistan and work for development of co-operational bilateral relations. Later on as a result of this both the countries omitted Afghanistan issues from their various meeting.

On the other hand, the Soviet's presence in Afghanistan changed the security environment in Indian Sub-continent bring about increased militarisation in the Indian Ocean. The US government under the Reagan's administration started to rearm Pakistan and help in its military build-up. The newly acquired nuclear weapon capability by Pakistan posed as a threat to Indian sovereignty. Meanwhile, the evolving Sino-US-Pak axis was also consolidated and begun to expand, including co-production of military hardware and naval exercise. Moreover, the creation of Reagan's Central Command (CENTCOM), and the deployment of missile submarine activity into the Arctic region and setting up of its naval base in north-west pacific particularly in Diego Garcia worsened the security environment of the

TH-10373

³¹ S.P.Singh, *op.cit.*, pp. 239-40.

DISS
327.47054
Si645 Ev

TH10373



Indian subcontinent, and further it became a cause of great concern for the Soviet Union. The Indian view over it was not different from that of Soviet Union. This factor brought India and Soviet Union more closely despite their difference over the Afghanistan issues.

The visit by Soviet Union leader, Brezhnev, to India in December 1980 extended the areas of the co-operation in various directions. USSR and India also increased their co-operation in both the economic and military field, which India wanted since independence in order to protect its national sovereignty from the external pressure particularly from its aggressive neighbours. The Soviet Union also had given a signal to India that it would buy the high-flying MiG-25 Foxbat fighter to strengthen its Air Forces.

Another area of the convergences of their interest, which further strengthened the ties between the two countries, was over disarmament. When the danger of the nuclear holocaust threatens the world peace, Mikhail Gorbachev initiated the policy of disarmament and arms control policy, which was supported by the then Indian Prime Minister Rajiv Gandhi, although India still refused to sign the NPT. India refused to sign NPT and held a different view with India argue that it only affect the nuclear program of the countries, who develops it mainly for their own protection from the aggressive external forces, while it has nothing to do with the stockpiling of nuclear weapon by the superpowers and some of the nuclear power countries. Therefore, these effected the development of the India's nuclear weapons, which was urgently needed for protecting the

national sovereignty since China and Pakistan's nuclear capability had already given a threat and brought nuclearization of the Indian Ocean with the presence of large numbers of external forces as a result of Soviet invasion of Afghanistan.

In the second half of the 1980's Prime Minister, Rajiv Gandhi, made an effort to expand the ties with US, Japan, and Europe, although he reiterated the time-tested friendship with Soviet Union. But the bilateral relations between the two countries were far away from stability. And it was further worsened by the US conclusion of agreement of \$4.02 million aid with Pakistan for the use in the production and development of later military industry.³² In such circumstance, on 28 July 1986, Gorbachev made a remarkable speech at Vladivostok that showed a change in the priority of Russian foreign policy toward China, and simultaneously he appreciated the increasing role of India as the chief of the non-align movement in bringing international peace as well as a free nuclear world.

Since both the India and Soviet Union were engaged in re-establishing relationships with the countries, which has been their former enemies, US and China respectively. For instance, India tried to develop to relations with US, who was the main rival partner of the Soviet Union in the Cold War tension, while Soviet Union was trying to establish its relations with China. These brought about fear or possibility of deterioration in their relationships. In reality, it causes to concern both the country's foreign policy. Apart from these

³² World Armament and Disarmament *SIPRI yearbook*, 1987, pp.140-41.(Oxford).

developments, the Indian government was disappointed by the continuation of Soviet Union maps, which depicted Indian claimed areas of Aksai Chin as the part of China.³³

Another difference that was raised when Pakistan sponsored the UN resolution for making South Asia a nuclear weapon free zone was put for vote. India voted against it while Soviet Union abstained. The Soviet Union, however, voted in favour of the UN resolution later on and criticised the Indian position. This highlighted the emergence of the divergence between the two countries but the economic and trade relations at the same time improved. The Indian government rejected the UN resolution of making South Asia a nuclear weapon free zone because of the suspicions that it would leave China with nuclear weapons.

Indo-Soviet political relations had been buttressed by the development in economic and trade relations, and the regular exchange of leaders of the both countries. The Indian Prime Minister, Rajiv Gandhi, visited Moscow in May 1985 for six days, and Gorbachev's return visit to India in November 1986 and 1988 not only brought about improvement in the Indo-Soviet economic relations but also important changes in political relations between the two nations. The important out come of the Gorbachev's visits of 1986 to India were the historic Delhi declaration on a non-violent and nuclear free world. The principle elements in it were in the tradition of Bandung

³³ Jyotirmoy Banerjee, 'Moscow's Indian alliance,' *Problems of Communism*, January- February 1987, p.11

and Panchshila. His visit to New Delhi even after failing to visit several Third World nations and reduced its commitment toward the political, economic and defence fields of the third world countries.³⁴ It highlighted the geo-strategic importance of India although it changed their priority toward China.

India's dependence on Soviet Union military hardware and simultaneously the suspicions over the Pakistan's influence in Kabul with early Soviet's withdrawal was there. It was because of this factor that both the Soviet Union and India frequently omitted discussion over the Soviet Union presence in Afghanistan in various joint communiqué between the two countries in 1980's.³⁵ And it brought both India and Soviet Union together in various international affairs where the national interest were same on the matter, while diverge on several issues.

There was increase in the Indo-Soviet economic relations from 1986 to 1990; however, the diversifications in the foreign policy had already taken place. In spite of these changes the political relations between India and the Soviet Union remained intact. Meanwhile, the tensions broke out again in late 1980's between the India and Pakistan over the increasing influence of the Pakistan in militancy of Punjab and Kashmir. This led to the volatile situation in Kashmir. Here, the Soviet Union affirmed the continuity in their support to India over the Kashmir issues, as it was confirmed from the Soviet

³⁴ O.N.Mehrotra, 'Gorbachev's Foreign Policy,' *Strategic Analysis* (New Delhi), vol.xii, no.1, April 1987, pp.25-30.

³⁵ Maonis Ahmar, 'The Soviet Role in South Asia 1967-1987,' Area Study Centre for Europe, University of Karachi, 1989, pp.135-142.

Union Prime Minister, Nikolai Ryzkov statement during his interview in Singapore that there was no change in the Soviet Union position.³⁶

This was further highlighted during the Indian Prime Minister, V.P.Singh's four-day visit to Moscow in July 1990. Soviet Union leaders urged that the Kashmir issues should be peacefully resolved. But this time the Soviet Union leaders asked to resolve the matter in accordance with the Simla agreement. The visit had seen the reaffirmation of mutual support and trust between the two countries. During his stay in Moscow the Indian Prime Minister had shown the ineffectual support to President Gorbachev's reform policy under the *Perestroika* and wished every success for Gorbachev's efforts to remove the traditional policy of economic isolation from the world economy.³⁷ This was perhaps the first time that India was officially commented on aspects of the internal developments in the Soviet Union.

However, a process of change in the political relations between India and Soviet Union had taken place at the end of 1990 with increasing political turmoil in USSR. The three Baltic republics of Lithuania, Latvia and Estonia were broken away from USSR and their independent status had already secured the international recognition. Probably around this time the priority in the foreign policy of Soviet Union had turned towards the US and the Western

³⁶ Times of India, 18 February 1990.

³⁷ Hindustan Times, 24 July 1990.

European countries under the Gorbachev's new political thinking, as it was evident from his famous Vladivostok speech on July 28, 1986.

From the above analyses, it is clearly shown that the Indo-Soviet relationship rests on the two pillars of mutual interest: the containment of China and the reduction of western influence in the region. To these ends, Moscow viewed India as a strategically important ally in its Cold War confrontation with US. The USSR also utilised India's status as a leader of the non-aligned movement to bolster its policies in the Third world Countries. On the other hand, India capitalized on Soviet Union economic and military aid to pursue its own regional as well as international goals, i.e., containment of Pakistan and China's power. But more importantly it was convergence of their national interests, which strengthened the ties between the two countries until the sudden collapsed of the USSR in late 1991.

CHAPTER -TWO

INDO-RUSSIAN POLITICAL RELATIONS 1991-1996

Chapter – II

INDO-RUSSIAN POLITICAL RELATIONS: 1991-1996

The disintegration of the Soviet Union in December 1991 along with the collapse of the communist regimes in Eastern Europe brought an end to the Cold War.¹ It marked the change in the geopolitical map of the world with the emergence of a new world order. Russia, the chief successor state of the former Soviet Union, retained the permanent seat in the UN Security Council and inherited the nuclear arsenal. Russia was faced with in the intricacy of political uncertainty and the uncertainties economic transition. Russia, found itself as a regional power in the post Cold War international system bereft of her earlier position in the erstwhile Socialist zone. In re-orienting to her new position, Russia distant herself from the former Third World allies, including India, while high priority have been given to the west in her foreign relations.

2.1 Russia and India: The Initial Stage of New Russian Foreign Policy.

The national interests of a country determine foreign relation of that nation. This is based on a combination of its national security or economic development. The nature of Russia and Indian relations shows different phases. There have changed with the existing

¹ Gerhard Simon, 'Political Culture in Russia,' *Aussen Politik* (Hamburg), vol.46, no.2, 1995, p.242.

geopolitical international environment and internal conditions. It was because of this factor that the age-old India and former Soviet Union relations has deteriorated in the post Cold War international realities, and the major successor of the USSR, the Russian Federation, framed its new foreign policy toward the western capitalists.

The post-Soviet Russian foreign policy was based on the illusion with the west, which was the continuation of the Mikhail Gorbachev's pro-western policy, which had been pursued at the time of the end of his regime,² with optimism to help in Russian economy recovery and transformation. The two main aspects could be observed from this. Firstly, it was the elimination of traditionally old Stalinist militarism and his policy of economic isolation. It accomplished in the approving of vision of a new, peaceful and increasingly economically integrated world order. Secondly it was unconditionally dangle toward the west particularly US. It was clear from the Russian Foreign Ministry statement which was repeatedly shout in the early 1992 that Russia want to enter the club of the most dynamically developing democratic countries.³

In the post-Soviet Russia's international relationship, the reconstitution of Indo-Soviet friendship as Indo-Russian friendship and limitations of the end product must be regarded as an important indication of the Russian Federation's incapacity to perform effectively as a partner and a neighbour. This was an instance where there were

² Zafar Imam, *Foreign Policy of Russia 1991-2000*, New Delhi: New Horizon 2001, p. 8.

³ Neil Malcolm, "The new Russian Foreign Policy," *The World Today*, vol.50, no. 2, February 1994, p.29.

gains to be made and few areas of everyday friction, but Russian's failure as a state was responsible for an uncertain outcome. During the period of 1991-1992, the paralysis that permeated Russia's state system became quickly evident, and narrow definitions of self-interest were prevalent. Andrei Kozyrev, the Russian Foreign Minister, often argued that India was a "neighbour" of limited importance to Russia, despite the way in which Indian and Russian interest ran into each other in Central Asia, and the possible importance of the Indian market and her manufacturing sector for the Russian economy.

In spite of the limitations, India had an intimate friendship with the Soviet regime that survived adjustments in the Soviet Union's international postures during *perestroika*. The Indian military hardware was dependent on Soviet production, and various aspects of commerce and industry benefited substantially from Indo-Soviet friendship, through the rupee-rouble exchange agreement. But almost all this was destabilised by the collapse of the Soviet Union. Beside this, the disintegration of the Soviet Union and the rapidly western-oriented foreign policy of new Russia under the President Boris Yeltsin and his Foreign Minister, Andrei Kozyrev completely estranged India.⁴ Indo-Russian political relations in this initial period were marked by uncertainty. Meanwhile, the internal economic condition in each country recorded their lowest position. India, at this juncture, was going through its economic crisis after 1991. The traditional age old

⁴ Shams-ud-din and Bhaswati Shakakr, 'Indo-Russian Relations: An Overview,' in the book (ed) Shams-ud-din, *India and Russia towards Strategic Partnership*, New Delhi: Lancer's Book 2001, pp.1- 13.

Indo-Soviet relation were down graded and Russia, gave India low priority.

The special relations between the India and Soviet Union during the Cold War politico-strategic rivalry changed with the end of the sudden collapse of the Soviet Union, and unlike the former Soviet Union, Russia, no longer considered the US-China-Pakistan axis as relevant. Thus, the support that India used to get from the former Soviet Union suffered. Geo-politically Pakistan was considered equally important by the Russian leaders, and its policy makers as the Pakistan close immediacy with the newly independent Central Asian republics and due to its location just next to troubled state of Afghanistan.⁵ However, it would be wrong to say that the Russian Federations totally ignore the geopolitical importance of India. Since the very beginning of its new foreign policy many bureaucrats opposed the Kozyrev policy both within and outside the Russian Parliament Duma, and argued for the continuation of relations with India.

It is interesting to note that Moscow has already taken certain steps in its foreign policy, during the eve of the Soviet Union collapse, which went against the India as well as Moscow's own long-term geopolitical interests. The troubled state of the Hindukush emerged as an area of strategic understanding between Moscow and New Delhi after the Soviet Union troops withdrawal. In late 1980's and early 1990 both the government extended their support to the Najibullah

⁵ Leszek Buszynski, "Russia and Asia Pacific Region," *Asian Survey* (Berkeley), vol.65, no.4, 1993, p.489.

government in order to barricade the emerging Islamic fundamentalist forces. The Soviet Union, on the eve of her sudden collapse in 1991, abandoned the Najibullah government and extended relations with Pakistan, in order to get back several prisoners of war that were in the custody of various Mujahideen factions based in Pakistan. But it only facilitated the furthering of pro-Pakistan Mujahideen, who came to the power, and posed a threat to multi-cultural, multi-ethnic and pluralistic society of Moscow and New Delhi.

The new developments in Russia-Pakistan relations brought a major setback to India on the Kashmir issues, and support that it enjoyed during the Soviet era. The then vice president, Alexander Rutskoi, signed several agreements with Pakistan during his official visit to that country in December 1991,⁶ and he conveyed a major change in the Moscow's stand on the Kashmir issues. Subsequently, a change could be observed from the joint communiqué issued at the end of the visit, which expressed the hope that India and Pakistan would resolve the Kashmir issues through peaceful negotiation on the basis of an international agreement.⁷ It seemed that Russia had shown much greater understanding of Pakistan's sensitivities and had accredited that Kashmir was a disputed territory.

Furthermore, given her immediate strategic interests, in 1992 India worked out to established relationships with the Central Asian states, especially since Moscow's geopolitical perspective was unclear

⁶ Jyotsna Bakshi, "Russia and South Asia," *World Focus* (New Delhi), vol. 21, no. 10-11-12, Oct-Nov-December, 2000, pp. 55-58.

⁷ *The Hindu*, 23 December 1991.

at the time. The Indian foreign Secretary, J.N.Dixit made an official visit to Moscow in January 1992 in order to resolve the difference in the political relations as well as in trade and economic ties. But the Russian leaders had shown a lack of political will to establish closer relationships with India. And it is fascinating to note that within the Russian Federation strong political debates took place both in the Duma and Board of Foreign Ministry regarding their policy toward India. Leading political person like the Vice President Alexander Ruskoj, Chairman Ruslan Kharbulatov and the Secretary of the State Gennady Burbulis as well as major section of legislators campaigned for the re-establishment of the strong relations with India while Boris Yeltsin and his Foreign Minister, Andrei Kozyrev, and other followers argued that the epoch of special relations with India should be ended and relationship be established with the western countries.⁸ So, it is very clear that the position, which India used to enjoy during the Soviet era, was absent in the post-Soviet Russia foreign policy, although the geopolitical and geostrategic position of India still held some importance.

India responded to the low priority accorded to her by the reoriented its foreign policy towards the West and under the economic liberalisation programme of the P.V.Narasimha Rao government in order to adjust to the pressure from the growing globalisation and the post Cold War realities, India reopened its market to foreign

⁸ Shanta Nedungadi Verma, "Russia and India: From Hiatus to Resurrection," *Strategic Analysis* (New Delhi), vol. 18, no. 4, July 1995, pp.578-579.

investment and accepted *IMF* and *World Bank* conditions. The special relationship with the American defence establishment had developed which was very necessary for India because of the erratic supply of arms and military hardware and spare part from Russia had broken down. India, as a consequence, established a dominant position for itself in South Asian association for regional co-operation as well as had consciously decided to befriend the South East Asian states through its '*looks east policy*.'

In May 1992, the Indo-US joint naval military exercise was conducted.⁹ It was politically more significant as it conveyed a message to Moscow that New Delhi was looking for some other countries for acquiring weapons. But the Indo-US relationship couldn't remove the divergence of interest in some important areas.

By the end of the 1992 the problem in Russia's pro-west policy had taken place, since the aid and investments from the western countries particularly US, were not adequate to address its economy reconstruction. In fact, the aid came very slowly and rather less than what the west promised Russia. Further, Russian geostrategic and geopolitics interest does not coincide with that of the US and its western allies.¹⁰ At this junction the tension had been mounted within CIS, which brought the Russian leaders to rethink their priority. So, when the Russian foreign policy was publicly announced in early

⁹ Ibid. , p.40.

¹⁰ Shashikant Jha, 'India and Russia: Challenges of Rediscovering the Past Linkage,' in Shams-ud-din (ed.), *India and Russia: Towards the Strategic Partnership*, New Delhi: Lancer's Book 2001, p. 30.

1993, CIS came under the highest priority area in its policy but India and South Asia remained number seven out of the lists of ten.¹¹

2.2 Changes in the Attitude Towards India in its Asian Policy:

Important change took place in Indo-Russia political relations by end of the 1992. In May 1992 the Russian Secretary of the state, Gennady Burbulis visited India and started to resolve the bilateral trade between the two countries, by establishing the intergovernmental commission on trade, economic, scientific and technical co-operation in the power sector,¹² India and Russia had shown their interest in reconstructing their co-operation in several fields. An important and substantial step on the on-going consolidation of the Indo-Russian relations was the Indian Defence Minister Sharad Pawar's official visits to Moscow in September 1992. Apart from defence ties, his visits brought the understanding between the leaders of two countries over each other's geopolitical significance in the international system. For instance, Russia realised that in the Indian Ocean and the Asia-Pacific region, India would remain a balancing force for Russia interest.¹³ The Secretary of the state and Defence Minister of Russia had given the assurance of uninterrupted supply of the spare part to India as well as Sharad Pawar was told that India remained a priority's for Russia.

¹¹ Ajay Patnaik, "Russia's Foreign Relations," *World Focus* (New Delhi), vol. 22, no. 2, February 2001, pp. 3-9

¹² Ramesh Thakur, 'South Asia,' in Ramesh Thakur and Thayer Carlyle A. (ed.), *Reshaping Regional Relations Asia-Pacific and the Former Soviet Union*, Boulder West view Press, 1993, p.168.

¹³ "Indo-Russian Relations: Looking Ahead Finally," *Indian Today*, July 31, 1994, p.43.

The Russian President, Boris Yeltsin visits to India after the long period of waiting in January 1993, removed the uncertainty of Indo-Russia political relations, which were generated from the disintegration of the former Soviet Union and the end of the Cold War from the world politic.¹⁴ But it is clear that the nature of Russian national interest changed along with the end of the post Cold War international reality. Unlike Soviet Union's special relations with India while the hostile relationship with China, Russia improved the relation with China, and welcome Indian and Chinese attempts to settle their differences. Even before his visit to India, Boris Yeltsin visited China, Japan and South Korea in 1992. This revealed the recorection of Russia earlier pro-west bias in its foreign policy.¹⁵ Beside this, Boris Yeltsin declared that Russia was pursuing de-ideologization in all sphere, including its foreign policy. Hence, he acknowledged Russian desire for maintaining good relation with all countries, who served its interest and need. His visits conveyed a message that Russia put an important value to Indo-Russian relations, although Russian Federation were not ready to build up a special relations which was existed during the former Soviet Union regime.

Another important factor, which made a base for developing political relations between the two countries, during Boris Yeltsin's

¹⁴ Devendra Kaushik, *India's Relations with Russia and China: An Overview*, in M.Rasgotra and V.D.Chopra (ed.), *India Relations with Russia and China: A New Phase*, New Delhi: Gyan Publ., 1997, pp.45-58.

¹⁵ Sita Gopalan Ramchandran, "India's Relations with Erstwhile Soviet Union and Russia," *Strategic Analysis* (New Delhi), vol. xviii, no. 7, October 1995, pp. 977-980.

India visit, was regarding the increasing security situation of both countries. First, a threat to their sovereignty, as well as to their national integration, with NATO's eastward expansion. India experienced not only a problem from Pakistan and cross border terrorism in Kashmir but also faced often pressure from the US. On the other hand, Russia was engaged in civil war in some of the former Soviet Union republics. Secondly, while the internal problem of a secessionist movement in North Caucasus in Russia and Kashmir in India, the frequent threat from the Islamic fundamentalism confronted both.

Now, the Russian stand on Pakistan during its initial stage of her new foreign policy in early 1992 changed since the increasing influence of Islamic fundamentalism from Pakistan to central Asian countries and later their subsequent support to the Taliban militia in Afghanistan. The growth of these tendencies led Russia to reconsider some of its earlier policy particularly towards India. The President Boris Yeltsin thus dropped the policy of equidistance between India and Pakistan.¹⁶ During his official visit to India, while speaking about its future foreign policy proposals in the post Cold War era, he declared that while Russian policy was equally balanced between west and east, no strong Eastern policy was possible without India.¹⁷

¹⁶ *The Pioneer*, 11 September 1995.

¹⁷ M.A. Bhatti, 'Russian Perception of South Asia,' *Regional Studies*, Spring 1994, p. 5.

2. 3 Kashmir Issues:

The President Boris Yeltsin adopted a significant stand from the Indian point of view on the Kashmir issues during his visit to India. He extended support to India without any reference to a bilaterally negotiated settlement in terms of the Shimla agreement. He, further declared unambiguous Russian support for settlement in Kashmir according to the Indian version. Again, he states that India and Russia are, at the same degree, interested in strengthening each other's stability and territorial integrity. ¹⁸

No doubt, Russia's Kashmir policy was directly related with its own political and ethnic problems, which Moscow has been facing because of forces of the secessionist movement in the Chechen Autonomous republic. There was thus a convergence of interest between the two countries to combat these emerging secessionist movement (Kashmir in India and Chechnya in Russia), which were further worsened by the increasing influence of Islamic fundamentalism. This development helped in on-going process of consolidating the Indo- Russian relations in both the field of political and economic ties.

In late 1993, India's dispute with Pakistan over Kashmir took a turn for the worse after the Hazratbal Shrine crisis. Pakistan accused the Indian army of human right violations and raised the Kashmir issues at the UN Human Rights Commission in Geneva. Both the

¹⁸ "Document of Russian President Boris Yeltsin's Visit to India," *Strategic Digest* (New Delhi), vol. xxiii, no.4, April 1993, p. 593.

countries lobbied other countries intensively for support. It was at this juncture that the Russia Ambassador, Anatoly Andrapov supported India and condemn the use of Shrine by militant groups, other than for purpose of worship.¹⁹

The Kashmir question, as also got increasingly linked with the political instability in Southwest and Central Asia. The advent of the forces of Islamic fundamentalism and their subversive activities destabilised the state-society ties in Southwest and Central Asia. The activities of destabilising forces, in their turn, fuelled cross border terrorism as well as trade in arms and narcotics. Therefore, in such condition the change in the policy of the Russian Federation toward India was important and its support to the Kashmir issues buttressed the political relations between the two countries. In 1994 Pakistan's urged the international community in order to internationalise the Kashmir issues. Again, Russia acknowledged to the Indian Foreign Secretary that Russia continued to stand on Indian side.

Another substantial step in improving Indo-Russian political relations was Russian President Boris Yeltsin's public announcement during his official visit to India, that Russia would support India's candidature for the permanent membership of the UN Security Council whenever the question of the Security Council arose. A significant result of the President Boris Yeltsin visits to India was the signing of the Indo-Russia treaty of 1993, which was based on the post-Soviet Union changed realities in Moscow. The treaty was

¹⁹ *The Hindu*, 13 October 1993.

different from the Indo-Soviet treaty of peace, friendship and co-operation of 1971. The title of the 1993 agreement does not include the world peace. It has no provision for immediate consultation in the event of an aggression against one party for the removal of the threat. Regarding it Boris Yeltsin said, "We are against axes, triangles, polygons, and in general any blocs."²⁰ This treaty firmed up Indo-Russian relations for the next decade.

2.4 Exchange of the State Visits: India and Russia:

The challenge to the Russian Federation by the spread of Islamic militancy in Central Asia along with her striking capacity to the southern flank of country, where the Muslim population was large numbers as well as the Muslim majority North Caucasian republic of Chechnya, caused Russia to rethink its policy. It was since the Tsarist period and throughout the Soviet era the southern periphery was exposed to the external forces. It remained a major concern to the Russian leaders even after the disintegration of USSR. Therefore the sudden shift in Russian foreign policy towards Asia, which was located on the southern periphery of Russia Federation, motivated by the increasing importance of the new Russia geo-political and geo-economic realities. And its principal reasons could be categorised into three. Firstly, the fundamental political, social, economic and demographic changes under way in Russia itself. Secondly the rapidly growing role of Asia in contemporary international relations both

²⁰ *BBC Summary of World Broadcast (SWB) FE / 1599 AR / 2,29, January 1993.*

political and economic. Finally, the threat and challenge to Russia's national security that might emanate from Asia.

It was these reasons that promoted to Russia to promote political relations with India since it was the only country, which they had sound linkages on cultural, economic and political fronts in the past. This was emphasised during Prime Minister Viktor Chernomyrdin visit to India in December 1994, where he enthusiastically talked about the Russia-India partnership by referring to India as the natural and objective friend.²¹ He also pinpointed Pakistan and said that the fighters, who are fighting against the Russian soldiers in Chechnya, were mercenaries from Pakistan.

Indo-Russia relations have been progressing well in almost all areas of bilateral co-operation. There is recognition both in India and Russia of the strategic dimension of Indo-Russian relations in their worldview of making a multipolar world. There was an increase in the share of similar perceptions between the two countries on many international issues. Interactions on developments in the region (Afghanistan and the newly independent states of the Central Asia) between the borders of India and Russia have been found to be beneficial as an area of common geopolitical interest for both the nations.

The developing relations between India and Russia in the post Cold War international system was further strengthened by frequent

²¹ *The Tribune*, 29 December 1994.

exchange of states visit by the leaders of the two nations. The substantial step for development, which was taken by the Russian President Yeltsin in 1993, was continued by the Indian Prime Minister, P.V.Narasimha Rao's visit to Moscow at the end of the June 1994.

The political ties between the two countries were further consolidated after Indian Prime Minister P.V.Narasimha Rao's visit to Russia in 1994. It was the reaffirmation of the new relationship between the two countries based on material and mutual benefit. The leaders of both countries signed the important "Moscow declaration" on June 30, which stressed on protection of the interests of pluralistic states,²² and also on their growing conceptual unity and adherence to common values in this new world order.

The document declared the determination of the two countries to protect the cultural and religious diversities of their societies from the forces of aggressive nationalism, religious exclusivism, terrorism and separatism, which strike were threatening the unity of pluralistic states. This political document of paramount importance set new parameters for further development of the close partnership between India and Russia. Apart from this, the agreements supported each other's territorial integrity as constituted by law and enshrined in their respective constitution.

²² O.N. Mehrotra, "Indo-Russian Relations After the Disintegration of the USSR," *Strategic Analysis* (New Delhi), vol. xix, no.8, November 1996, p.1139.

The Moscow declaration affirmed 'Russia and India' being among the largest multi-ethnic, multi-lingual and multi-religious states promote international peace and stability and urged the international community in ordered to respect the integrity of these states.²³ Their effort to promote the peace and stability in the areas between the borders of the two countries was obviously reference to Kashmir and the Central Asia republics, including Tajikistan, because the conflicts in these regions could bring the external forces. The Russia Federation, during that period, was facing the serious problem with the conflicts around its southern borders in Georgia, Armenia, Azerbaijan, and Tajik-Afghan border dispute etc.

Through this declaration both the countries also expressed their desire to establish a multi-polar world based on sovereign equality of all states and peoples. It was against this background, the declaration on the line of strategic partnership was established and directed as a joint critical statement against the NATO eastward expansion. In the second half of 1994, NATO eastward expansion reached the corridor of the Russian Federation, and many of the former Soviet allies; Poland, the Czech Republic and Hungary were already joined it.²⁴

The war in Yugoslavia highlighted the divergence in the interests of the Russia and the US allies in NATO. Moreover the entry into the East European into market structures replaced the Russian trade monopoly. Therefore, Russia was not happy with NATO actions and it

²³ Jyotsna Bakshi, *Russia and India: From Ideology to Geopolitical*, Delhi: Dev. Publication 1999, p.240.

²⁴ Zafar Imam, *op.cit.* , p. 16.

nature of eastward expansion which was contrary to the earlier agreements, signed between the former President Mikhail Gorbachev and NATO,²⁵ although Russia, in June 1994 joined NATO's partnership for peace programme. But in reality it further worsened the geopolitical situation for Russia. At same period of time Russian foreign policy started shifting from the pro-west to a balanced one.²⁶ This was strengthened by the US led military alliances, NATO decision to intervene in the Kosovo crisis without any permission from the UN Security Council, marked the vital change in the foreign policy of the Russian Federation.

Apart from this, in January 1995 the Indian parliamentary team visited to Moscow and extended significant support to Russia on the Chechnya crisis and stated that it was an internal matter of Russia Federation. The understandings between the two leaders also developed after Boris Yeltsin's visit to India. The convergence of interest on combating the threat posed by the growing drug trafficking and terrorism helped their developing relations. A treaty was signed during Indian Home Minister, S.B.Chavan visit to Moscow in September 1994 for combating increasing narcoterrorism. Since the neighbouring countries of both the states were very active to this matter, e.g. Afghanistan, which had the capability to pose a threat to Russia through Central Asian states, was also seen as a similar threat by India.

²⁵ Anuradha M. Chenoy, "Russia and European Security," *World Focus* (New Delhi), vol. 22, no.2, February 2001, p. 11.

²⁶ Anuradha M. Chenoy, *The Making of New Russia*, New Delhi: Har-anad Publication 2001, pp.237-264.

During his visit to New Delhi in December 1994, the Russian Prime Minister Viktor Chernomyrdin clarified foreign policy position and emphasized the growing importance of India in its post Cold War international relations.²⁷ The military cooperation between the two countries had turned into a new dimension after he visited India in 1994, with Russia agreed to help India in upgrading its 170 *MiG-21 BIS* fighters to *MiG-21-93* fighters in order to keep them combat-worthy. Another significant result of his visits was the outcome of the discussion between the two leaders that brought out the trust among the Indian leaders that Russia was not going to supply any military equipment to Pakistan and it has no intention of doing so in the future. Now, it is clear that in the Russian worldview India became a reliable partner in case of actualisation of the threat to security posed by the Muslim world. Both the countries have a common goal of normalising relations with Muslim countries and decisive fighting against Islamic extremists.

It is interesting to note down some of the significant developments in the field of defence ties between India and Russia, with the political relation between the two having reached an amply high level of understanding on many vital issues. From 1985 to 1990, India received from the then USSR US\$10 billion worth of arms, which is 70% of the entire Indian imports of defence material.²⁸ However, the erratic supply of the Soviet arms started before the disintegration of

²⁷ Devendra Kaushik, *India's Relations with Russia and China: An Overview*, in M. Rasgotra and V.D.Chopra (ed.), *op.cit.*, pp. 45- 58.

²⁸ "Russian Defence Sales: The insiders' View," *Strategic Digest* (New Delhi), vol. xxiv, no.2, February 1994, p. 216.

USSR, and the defence relation was further worsened after the sudden collapsed of the Former Soviet Union. Since then, numerous high-level military cooperation discussions took place beginning with Defence Minister Sharad Pawar visited Russia in September 1992.

Again in 1993 during the Russian President's visit to India, Sharad Pawar signed an agreement with Russian Defence Minister Grachev for strengthening the ties. It was under this agreement Russia undertook to ensure guaranteed supplies of defence equipment, spare parts, product support and service needed for maintenance, repair and modernisation of Russian armament deployed by the Indian army, navy and air force. However, the problem of the cryogenic rocket engine deals remained as an obstacles in defence ties, but it has no impact on the improving political relations between the India and Russia.

2. 5 Turning Point to More Closer Relations 1996:

The Russia's foreign policy turned into a new dimension with appointment of the Yevgney Primakov as the new Foreign Minister in January 1996, which was approved by the Duma in April 1996.²⁹ The new policy of the Yevgney Primakov was based on the policy of the balance between the west and east by improving the relations with Asian countries, Particularly China India, Iran etc.³⁰ He, unlike Kozyrev, urged the Kremlin to strongly oppose NATO's eastward

²⁹ Zafar Imam, *op.cit.*, p.21.

³⁰ *Ibid.*,

expansion and pay more attention to economic and political reintegration of the former Soviet republics. As a result, it removed the tilt away from Russia's NATO engagement by many of its old allies including India. In his first press conference on 12 January 1996, Primakov listed out his basic agenda as "protecting the national and state interests of Russia".

Since the NATO expansion as well as the rapid growth of religious fundamentalism posed the serious threat to its national interest, particularly in the wake of the Mujahideen power in Afghanistan, Russia started to strengthen their relations with CIS countries, particularly those which are located in Central Asia. In this process, on March 1996 Russia concluded an agreement with Belarus, Kazakhstan and Kyrgyzstan for the formation of closer alliance.³¹ It opened up a new potential for mounting closer relations between India and Russia. India too, like Russia, has a deep strategic interest in the Central Asia and its new geo-political realities. Therefore, it carried an important aspect from the point of the view of Indo-Russia relation since both the countries had a common national interests to the region, which could be fulfilled by each other supports.

By visiting India March 1996, Yevgeny Primakov had shown the growing convergence between the Moscow and New Delhi on a number of important geo-political issues in the region. Both the countries exchanged their view over the Central Asian geo-politics, with the

³¹ R.R. Sharma, *Indo-Russian relations in the Emerging Context*, in M. Rasgotra and V.D. Chopra (ed.), *op.cit.*, pp. 65-73.

growth of threat from the Islamic fundamentalist, Taliban militants in Afghanistan and increasing backing of the Pakistan to Taliban. Indian Foreign Minister, Pranab Mukherjee extended its support to Russia, regarding the later opposition to NATO's expansion. It is clear that Moscow and New Delhi shared a common view on it and opposes the emergence of the unipolar world system.

Russia and India also concluded an agreement on establishing the hotline telephone between the two countries, although it was initiated during Indian Prime Minister P.V.Narasimha Rao's Moscow visit in June 1994.³² Apart from this the two countries signed an agreements for educational, scientific and cultural exchange programme for 1996-1997, which further buttressed the relations between the India and Russia.

The difference over the NPT (Nuclear Non- Proliferation Treaty) and CTBT (Comprehensive Test Ban Treaty) were hide away from the agenda. However, these divergences have had no impact on the Indo-Russian political relations. India has already refused to sign both the NPT and CTBT during the conference on Disarmament in Geneva, because of their discriminatory in nature between the nuclear weapon states and non-nuclear states.

After analysing all this, it is clear that the Indo-Russia political relations have improved from the post Cold War reality of uncertainty and insensitivity, with the realisation of the increasing important of the geo-political and geo-economical situation. The period of 1991 and

³² Jyotsna Bakshi, *op.cit.* , p.252.

early 1992 was the period of confusion in Indo-Russia political relations, since both the countries were under pressure from the post Cold War economic problems (with the political crisis between the Duma and President in Russia). However, the honeymoon period of the Russia's relations with the USA in Kozyrev foreign policy was over with the realisation that their interests no longer coincided with that of the USA in the post Cold War international system.

The increasing parliamentary opposition to the foreign policy course of Kozyrev also forced Boris Yeltsin to dilute his pro-western tilt by putting relationship with India in particular and with Asia in general on a long term basis through conclusion of Indo-Russia treaty of 1993, as the reorientation of 1971 peace, friendship, co-operation treaty. The major important factors were the rapid growth of the Islamic fundamentalism and the NATO's eastward expansion with their striking capacity to the national integration of the pluralist society of Russia and India. All these factors added up to bring Russia and India closer on the world stage.

CHAPTER - THREE

**INDO-RUSSIAN POLITICAL RELATIONS
1998-2001**

Chapter -III

INDO-RUSSIAN POLITICAL RELATIONS: 1998-2001

The relations between Russia and India witnessed further consolidation since 1993. There was considerable amount of goodwill between the two countries in all spheres specially political and economic. With the consolidation of democracy and democratic institutions in Russia, the traditional friendship acquired a new dimension based on shared values, beliefs and aspirations. It constitutes an important foreign policy priority for both the countries. The increasing national consensus in both the countries further brought good relations between the two, and are not subject to political changes. Recognition of the strategic dimensions to Indo-Russian relations has been growing in both the countries. The political relation has also been growing high, and it was strengthened by the convergence of the perceptions on various international issues and mutually beneficial interactions on development in the region lying between the two. The signing of the strategic partnership between the two during the president Vladimir Putin's visit to India in 2000 buttressed the political ties between the India and Russia.

3.1 India's Nuclear Tests (Prokhran-II) and Russian Stand:

The decades of the 1990's experienced the increasing influence of the power of the USA in various international issues. This was

especially since the end of Cold War while the political role of the U.N. in international relations seemed to be flagging. The US led NATO's eastward expansion and reinforcement and its influence in various part of the globe ushered in a period of unilateralism. These developments ratified the dominance of unipolar world in the post-Cold War period. It was at this juncture the Russian foreign policy, under the Foreign Minister, Yevgney Primakov, was launched to give meaning and substance to the idea of a multipolar global structure that many claim will ultimately succeed the Cold War bipolarity, notwithstanding the US's attempts to establish its hegemony across the globe. Primakov diversified its international relations with various states, which would guide the international system. He has striven hard to strengthen Moscow's ties with China and India in particular. As a result, India's position in Russian foreign policy priority list improved since the Primakov period (1996-99).

Besides, the increasing coincidence of their interest in the Central Asia further strengthened the political ties between the two countries. India made various efforts to built up the relations with Central Asian republics since the disintegration of Soviet Union. But the establishment of the Economic Co-operation Organisation, which links up the Islamic countries of the middle east including Pakistan with the Central Asian republics, was a set back India's efforts to establish the link with the Central Asian republics. It was Russia who provided an opportunity to India in establishing its ties with the

Central Asia republics. Meanwhile, Russia was the major power, which continues to exercise strong leverage in the region.

However, nuclear tests conducted by India on May 11 and 13, 1998 put Russian policy makers in a big dilemma. In its Government official's response Moscow undeniably criticised the tests, in the statement of the Russian Foreign Ministry the nuclear test was "unacceptable." However, there was mixed reaction among the Russian parliamentarians. The nationalist Liberal Democratic Party of Russia (LDPR), led by Vladimir Zhirinovskiy, had expressed approval of India's action.¹ But leaders like Vladimir Lukin, a member of the Liberal Yabloko faction and Chairman of the International Affairs Committee of the Russian Duma, expressed in the leading newspaper, *Interfax*, "Russia opposed any nuclear tests." Viktor Ilyukhin, a Communist and Chairman of the Security Committee of Duma, also criticised the India's action.² In a speech given by President Vladimir Boris Yeltsin to the leaders of the Russian Foreign Ministry in May 12, 1998, he offered only relatively soft criticism of the India's nuclear tests. He said, "India has let us down" by conducting the nuclear tests. Furthermore, in a press statement, the Foreign Ministry said that Russia viewed the tests "with alarm and concern," adding that "as a close friend of India this action has caused us to feel great regret." The statement urged India to reverse its nuclear policy and

¹ Dr. Scott Parrish, "Russian Reaction to the Indian Nuclear Tests,"

<http://www.cns.miis.edu/research/india/russia.htm>

² Ibid.,

sign the treaty on Non- Proliferation of Nuclear Weapons (NPT) of 1960 and Comprehensive Test Ban Treaty (CTBT).

Considering the existing volatile environment between India and Pakistan following the nuclear tests, Russian Foreign Minister, Yevgney Primakov, said in an interview by the NTV network (12 May 1998) that “we especially would not want Pakistan to follow in Indian footsteps.” Moscow along with the P-5 countries expressed their desire to keep the nuclear club small and exclusive and not allow new entrants. They were not ready to recognise India as well as Pakistan as nuclear weapon states.

However, Russia’s response to the India’s nuclear tests was limited to diplomatic protests. For instance, Russian Foreign Minister, Y.Primakov had virtually ruled out Russian participation in any international sanctions against India. He said that Russia view sanctions “guardedly,” and it may only “ lead to counterproductive results.” Furthermore, first Deputy Minister of Atomic Energy of Russia, Viktor Mikhailov, expressed his support for moving forward with the proposed sale of nuclear power reactors to India despite the nuclear tests. Announcement were also made that Russia’s cooperation with India in the civilian nuclear sector would continue. And Moscow further worked out the schedule for the President Boris Yeltsin visit to India by the end of 1998.

On May 14, 1998, the conference of Joint Indo-Russian Council on technical and scientific collaboration between the two countries

was held in Moscow in an atmosphere of goodwill and friendship.³ The Russian Co-Chairman of the Council and academician, Marchuk, called for an intensification of high-level contacts and cooperation. Besides this, the Commander-in-Chief of the Russian Navy, Vladimir Kuroyedov, informed the Indian authority about the possibility to handing over the warship, *Admiral Gorshkov*, to India. Kuroyedov also confirmed that Russian warships would take part in the joint exercises with the Indian Navy in the coming autumn. He added, "We regard India as a great friendly partner in the vast Indian Ocean." It was also reported that Russia had offered more nuclear submarines to India.

Significantly, on May 19 Russia's Atomic Energy Minister, Yevgeny Adamov, schedule to visit India shortly to sign a supplement to the agreement of 1988 on the construction of an atomic power plant in Kudankulam, in Tamil Nadu, despite US pressure. Thus, Moscow made it clear that India's nuclear-strategic programme was purely indigenous and there was no question of transfer of Russian military nuclear technology to India. Both the countries agreed to carry the business as usual despite their differences on the nuclear issue. Thus, India's nuclear tests of 11 and 13 May 1998 had no effectives on the on going development of the Indo-Russian political development. And Russian stand on the continuity of the nuclear sale to India was a blow to US pressure on its foreign relations.

³ Jyotsna Bakshi, "Russia's Post-Prokhran Dilemma," *Strategic Analysis* (New Delhi), August 1998, vol. xxii, no. 5, pp. 721-736.

3.2 Prime Minister, Yevgney Primakov official visits to India and aftermath:

After the Prokhran-II nuclear tests many of the western countries isolated India and paid no important official visit to India. In this context Russian Prime Minister, Yevgney Primakov's visit was very significant not only to Indian but also from the Russian point of view. Russia, a Permanent Five (P-5) member of the U.N. Security Council, had also expressed serious reservations about the tests conducted by India and Pakistan. Actually, President Boris Yeltsin was supposed to come to India, unfortunately, postponed his planned visit to India due to his indisposition. In his place the Russian Prime Minister, Yevgney Primakov, visited India just a day after the United States and the United Kingdom suspended their attacks against Iraq. Primakov said he was "...categorically opposed to the use of military power in Iraq. Though the use of force has ended, our basic position has not changed the use of force should be with the consent of the U.N. Security Council." So, Russia under the leadership of the Prime Minister adopted a tough stance against the attacks and proposed to withdraw its ambassadors from Washington and London. However, the Indian stance on Iraq was neither strong nor clear as that of Russia that is evident from the Indian Prime Minister, Atal Behari Vajpayee's statement to Parliament, which expressed only "grave

concern” over the happenings in the Gulf, without condemning the attacks.⁴

But, India and Russia strongly urged resumption of diplomatic efforts under U.N. auspices. Both the countries noted that these actions had raised serious questions regarding the functioning of the collective and consultative procedures of the U.N. Security Council. Acknowledging the important role of India and the Russian Federation in international affairs, both the sides agreed to maintain regular consultations on major foreign policy issues and initiatives and also realised the need to expand the U.N. Security Council to make it more representative and increase its effectiveness. Russia considers India as an influential member of the international community and a strong and right candidate for permanent membership of an expanded U.N. Security Council.

Significantly Primakov’s visit marked a continuation of the long-standing tradition of high-level bilateral exchanges between India and the Russian Federation. During the visit, Primakov called on the President of India, K.R. Narayanan, the Vice President of India, Krishan Kant, and held in-depth talks with the Prime Minister of India, Atal Bihari Vajpayee. Meetings with other high Indian dignitaries were also held. The discussions were held in the warm and friendly atmosphere traditional to such Indo-Russian exchange.

⁴ John Cherian, “India and Russia: The Primakov Visit,” *Frontline* (Chennai), vol. 16, no. 1, January 1999, pp. 52-53.

On 21 December 1998 the two leaders signed seven agreements namely on mutual legal assistance in criminal matters, consular convention, long term agreement on military-technical co-operation upto the year 2010, joint document on development of trade, economic, industrial, financial, science and technology co-operation, agreement on co-operation in the field of communications, air transport agreement. Both sides expressed confidence that the agreements thus signed would further reinforce the framework of their co-operative ties in the concerned fields. Primakov commented on the agreements thus: "they are a sign of development of bilateral relations starting from science and technology and all the way to military co-operation." The agreement on long-term military co-operation until 2010 was one of the key agreements from the India's point of view. India, this spelt out its long-term military requirements with particular emphasis on indigenisation. Both countries signed a Memorandum of Understanding (Mou) for the possible purchase of the 40,000 tonne Russian aircraft carrier *Admiral Gorshkov*.⁵ Besides this, both the leaders agreed to extend the joint venture, which provided an opportunity for an independent development of India's defence industry.

Furthermore, both the leaders of India and Russia expressed deep satisfaction over the outcome of the 5th Session of the Indo-Russian Inter-Governmental Commission on trade, economic, scientific, technological and cultural co-operation that was held in

⁵ Ibid.,

Moscow from 26-28 November 1998. While appreciating the growth of Indo-Russian trade in 1997-98, it was hoped that the implementation of long-term bilateral trading arrangements in jointly identified items would lend stability to bilateral trade and encourage its growth on a sustained basis. The progress in their joint venture in such fields as power, oil and natural gas, coal, steel and transport, and hydrocarbon sector further strengthened the ties between the two in it mutual benefit. Indian companies were given the exploration sites in Sakhalin and Siberia.

On 22 December 1998, a joint statement was released in which Russia and India expressed satisfaction over the fact that Indo-Russian bilateral co-operation was progressing well in all spheres. It was also agreed that both the countries would jointly exploit the tremendous capacities, including science, technology and industry, available in both the countries. The determination to impart a qualitatively new character and long-term perspective to their multifaceted ties and actively develop them into the 21st century was reaffirmed.

The joint statement reaffirms their determination to move towards a "strategic partnership," which will be confirmed during their next Summit level meeting in early 1999 by the signing of the Declaration on Strategic Partnership between India and the Russian. Primakov expressed that the new agreement " will set new parameters and guide the further development of the closed partnership between India and Russia." The sources from the Indian Ministry of External

Affairs said, " the declaration is the reflection of long-term confidence in each other and it could bring up the ties to a high level. They added, that the declaration means that neither country would join partnerships or alliances directed against each other or which infringed upon their sovereignty." ⁶

Russia had already issued similar document called "Partnership for Strategic Interaction in the 21st century" with China in Moscow on 25 November 1998 at the conclusion of Chinese President, Jiang Zemin's visit to Russia. And "constructive partnership" was with Japan and Russia. Thus, both the leaders of China and Russia had shown their desire to change the unipolar world into multi-polar world. In its response, Indian leaders accepting the idea of setting up the multi-polar world were of the opinion that it should not be in a hurry. But, while reiterating their commitment to the ideals of peace, democracy, rule of law, non-violence and secularism, both the sides proceeded from the understanding that it was necessary to create a multi-polar world based on the sovereign equality of all states, democratic values and justice.

Therefore, the two countries, along with China, criticised the NATO's bombing of Yugoslavia in March 1999 without U.N. authorisation. US allied western countries insulted Russia by handling the Serb-Kosovo issues aggressively and waging a virtual war on a fellow-Slav country. Russia concerned the US action as their

⁶ "India, Russia to sign accord on Strategic Partnership,"
<http://www.expressindia.com/ie/daily/1998122>

effort to impose its own-solution of the Kosovo crisis. In his statement, Russian President Boris Yeltsin called for cancellation of all agreements and termination of contracts with NATO or NATO sponsored organisations.⁷ India, taking a similar stance with Moscow, accused US for violation of the international norms of non-interference in the internal affairs of other countries. Both India and Russia wanted U.N. to play a strong role in diffusing the crisis in Kosovo and India welcomed the peace-making efforts of president Boris Yeltsin and Primakov.⁸ Furthermore, these and other allied events brought both the countries together.

It is clear that both Russia and India agreed to jointly contribute to securing international peace and security, the democratisation of international relations, as well as to the promotion of the establishment of a new, just and stable world order with a strengthened role for the U.N. and its specialised agencies. However, regarding the proposal of the “strategic triangle,” between Russia, China and India, there enjoyed an abiding and large support in the Russian strategic community. But, due to the continued difficulties and unsolved problems in India-China relations over the border dispute the axis between the three is not possible. It was repeatedly stated that such a triangle would not be directed against the west, with whom all these three countries individually enjoy extensive political and economic ties.

⁷ Zafar Imam, *Foreign Policy of Russia: 1991-2000*. New Delhi: New Horizon 2000, p.38-39.

⁸ V.P.Dutt, 'Indo-Russian Relations: An Overview,' in V.D.Chopra (ed.), *Indo-Russian Relations: Prospects Problems and Russia Today*. Delhi: Kalpaz 2001, pp. 31-33.

The meeting between the two leaders also highlighted the increasing convergence of views on international terrorism, illicit trafficking in narcotic drugs and arms, as well as the situation in and around Afghanistan and other parts of the world, the Middle East Peace Process, Asia-Pacific problems. Both sides expressed the view that the development of active and constructive bilateral relations between India, Russia, and other major countries of the Asia and Pacific region would contribute to stability and security. Here, it could be observed that Russian has been alarmed by the developments in Afghanistan since the terror from the religious fundamentalist has already spread out to many of the autonomous republics in the Russian Federation e.g. in Dagestan and Chechnya.⁹ And the fear was on both sides, with the emergence of Taliban in Afghanistan through pan-Islamic ideology as the driving forces, that if Central Asian republics once come under the influence of these fundamentalists, it would be disastrous for security of both the countries because both the countries had already started fighting with Islamic militancy radiating from the Afghanistan and Pakistan region in Chechnya in Russia and India in the state of Jammu and Kashmir.

Russian Prime Minister, Yevgeny Primakov, also reaffirmed support for India's efforts to normalise relations with Pakistan on the basis of the 1972 Simla Agreement. Over the nuclear non-proliferation issues, Yevgeny Primakov stuck to the Russian position that India

⁹ Shankar Sharan, "Islamic Terrorism Threatens Russia," *World Focus* (New Delhi), vol.20, no. 1, January 2000, pp. 9-12.

should sign the Nuclear Non-Proliferation Treaty (NPT) as well as Comprehensive Test Ban Treaty (CTBT). Furthermore, Russian viewed that signing the NPT would considerably strengthens India's case for a permanent seat in the U.N. Security Council. But the Indian leaders acknowledged that India is still not ready to accept the terms of the NPT and CTBT. However, in the joint statement on nuclear issues both Russia and India expressed their support to the process of nuclear non-proliferation.

One of the important factors that strengthen the Indo-Russian political relations was Russia's consistent support to India's claim for becoming of the permanent member of a reconstituted Security Council. This position of Russia was further stated by all Russian high-level dignitaries and was restated by the visiting Russian Prime Minister in New Delhi (in December 1998) and was also subsequently reaffirmed by various high-level visitors from Russia. As it is evident from their joint statement, which stated that both sides " agreed on the need to expand the U.N. Security Council to make it more representative and increase its effectiveness...Russia considers India an influential member of the international community, to be a strong and appropriate candidate for permanent membership of an expanded U.N. Security Council."

3.3 Russian response on hijacking of Indian Airlines Plane and Kargil war:

Afghanistan-Pakistan region has today become the major center promoting international terrorism, which is motivated by extremist Islamic ideology as well as drug trafficking. The emergence of these religious fundamentalisms with well organised or coordinated networks and command systems terrorised the existence of multicultural societies. Both India and Russia became the victim of these religious extremist forces. In 1999 October, the Chechen terrorist triggered several bombs in residential building in Moscow and other cities in which many innocent people were killed.¹⁰ According to the official sources, many training camp in Chechnya were supported by the foreign financial help and mercenaries from Afghanistan and Pakistan and were directly involved in the hostilities. Since then Russia is fighting a grim battle to clear out the terrorists from the North Caucasus.

In India too, the infiltration of the militants from Pakistan into the Indian territory of Jammu and Kashmir posed a threat to Indian security. Furthermore, the tension was building up between the two countries since authorities in Pakistan supported many of these militants. Even Pakistani troops directly participated and they along with the militants cross the *Line of Control* (LOC). As a result Indian security had to carry out operations to push back the infiltrators behind the *Line of Control*, which led to Kargil conflict in July 1999. In

¹⁰ Ibid.,

its support toward India, Russia accused Pakistan for supporting the militants, as well as for crossing the *Line of Control*. Many of the Russian electronic media also condemned Pakistan for the act; and Russian government warned Pakistan not to create another "Kosovo" in the subcontinent.

Russian government gave the following statement in this regard, on July 13, 1999, "Moscow welcomes the mutual understanding reached between New Delhi and Islamabad about withdrawal of armed groups, which had infiltrated from Pakistan into India territory across the '*Line of Control*' in Kashmir. We express the hope that following an end to armed activities, and restoration of status quo in Kargil, sanctity of *Line of Control* will be reaffirmed and trans-border subversive activities stopped." But, Russia continued to emphasise that the resolution of the Kashmir issue could be obtained by peaceful methods on the basis of bilateral talks within the framework of the Shimla and Lahore agreements.

Again in late 1999, Jaish-e-Mohammad, an Islamic fundamentalist militant group, based in Pakistan hijacked the Indian Airlines flight IC 814 to Khandahar and took as hostages. These are one of the many terrorist groups fighting against Indian rule in Kashmir. Many of the terrorists who took part in the hijacking were mercenaries from Afghanistan. The drama of highjack came to an end after the release of Masood Azhar, the founder of the group, from the Indian jail in exchange of hostages on board the hijacked Indian airline. Here too, Russia took similar position as earlier. Russia issued

three statements on 27 and 28 December 1999 relating to the hijacking of the Indian airline from the Russian Foreign Ministry. Through it Russia condemned the "criminal actions" of the armed terrorist and expressed its solidarity and support to Government of India in its efforts aimed at settlement of the situation. Significantly, it sought for multi-dimensional efforts of the international community for its eradication.

So, both India and Russia had common interest in evolving international mechanism for combating the modern-day scourge of cross-border terrorism, religious extremism, drugs and arms trafficking, and international crime since their multi-cultural society was in threat from these religious fundamentalists. This is one of the important factors, which helped in strengthening political as well as bilateral relations between the two countries. The growing consensus between Russia and India on the danger of terrorism led to establishment of Joint Working Group (JWG) on Afghanistan in October 2000, during the Russian President Vladimir Putin's visit to India.¹¹ It was co-chaired by the Russian First Deputy Foreign Minister, V.I.Trubnikov, and Indian Foreign Secretary, Mrs C.Aier.

Since 1999 onwards, meeting are conducted on at a regular basis of in ministerial level as well as the frequent exchange of visits by leaders of both the countries which characterised that Indo-Russian political relations was stable and predictable. Therefore, the task of further promoting the political relations to the level of Indo-

¹¹ I.K. Gujral, "Putin visit in Perspective," *Mainstream*, vol.xxxviii, no. 43, October 2000, p.6.

Russian ties were set by holding Russian-Indian Summit on a yearly basis. In between 1999 and 2001 the Foreign Minister of both countries hold six meeting within the framework of the successive sessions of the U.N. General Assembly as well as during other international and regional forums. Systematic foreign office consultations, including those at the level of the Foreign Secretary from the Indian side and the First Deputy Foreign Minister from the Russian, had become a usual norm of the interaction between the Minister of Foreign Affairs of Russia and Minister of External Affairs of India. It rather helped in understanding the policy, which both the countries were pursuing.

In June 2000, Indian Defence Minister, George Fernandes, visited Moscow and successfully brought several new arms deals. A \$ 400 million deal for the supply of 100 *T-90, Main Battle Tank* (MBT) and for the production of another 200 MBT in India was signed. It was also agreed that Russia would deliver all the *SU-30 MKI* fighter jet signed in the contract to India by 2003. In the same year, Indian External Affairs Minister, Jaswant Singh, went to Moscow and finalised the programme for the Russian President's visit to India.

3.4 President Vladimir Putin visit to India and signing of "Strategic Partnership":

The rise to power of President Vladimir Putin was regarded as a sign of consolidation and resurgence of Russia after the year of decline under the ailing President, Boris Yeltsin. Vladimir Putin has called

himself the “closet, dearest and the best friend of India.”¹² On 2 October 2000 the Russian President, Vladimir Putin, and his consort Mrs Lyudmila Putina along with high-level delegation arrived to India. Putin’s visit to India comes when both the countries are well poised on the international stage, albeit the host of domestic problems which both the leaders face at home. This was the first high-level visit by a Russian President to India since President Boris Yeltsin visit in 1993. The visit further provides the opportunity to lay down an updated foundation for present and future co-operation between India and Russia. It is a matter of fact that Russia’s share of India’s external trade was fallen to a little over two per cent, with enormous geopolitical changes in Russia, Eurasia, and South Asia and reality checks imposed of globalisation of markets. Since then the economic relations between the two countries developed well, and it further strengthened the political ties between the two.

Considering the ongoing development between Russia and India as time tested and based on continuity, trust, and mutual understanding, the Foreign Secretary, Lalit Mansingh, said the mature relations between the two countries are not at the cost of bilateral relations with other countries. Beside this there was widespread discussion on Putin’s visit to India and its effects on developing relationship between India and USA or Russia with USA. Regarding the issue, Indian scholars on international relations like professor Anuradha M Chenoy said that it would not effect any

¹² *The Hindu*, 29 June 2000.

relations since both the India and Russia are interested in establishing bilateral ties with USA. Furthermore, the Cold War (1960's-80's) politico-strategic rivalry between Russia and USA also no longer exist. There is no contradiction in the policies of USA and Russia.¹³ The Indo-Russian relationship has a long history of mutual dependence. For instance, Indian dependence on Russia for defence, technology and scientific know-how, which are major needs of India for its development and for keeping the national sovereignty in safety, while Russia need Indian market for its manufacturing products.

Both the leaders skipped the much talked about “ strategic triangle” between the Russia, China and India. Of course, if they were able to establish the cooperation between the three countries, it would be beneficial for all. Interestingly, the three countries were facing some common problems relating to Islamic fundamentalism, separatist movement, and multi-polar worldview. China is also at present facing threat from the Islamic fundamentalist in its Sinkiang province. Both India and China tried to solve the border dispute through exchange of state visits. In fact, it was due to this border dispute, which led to war between the two countries in 1961. But, the relation was not destined to last long. The discord took place when India termed China as potential to threat (threat no.1) in its justification for Prokhran-II test. China reacted sharply, although China did not at first opposed India's nuclear test as the US and some of its allies did.¹⁴ Since then, the

¹³ *BBC Summary of World Broadcast* (SWB) FE/3961 A/3, 3 October 2000.

¹⁴ T.N.Kaul, “Towards a New Strategic Partnership: India, China and Russia,” *Himalayan and Central Asian Studies*, vol. 3, no. 1, Jan.-Mar. 1999, p. 12-13.

Sino-India relation deteriorated further despite the efforts to resolved the border dispute between the two countries. So, it is clear that both the leaders of India and China need some kind of mutual understanding with regard to their foreign policy. Then only, they would be able to establish good relation between the two countries.

On 3 October 2000, proceeding from desire to further consolidate their traditionally close and friendly ties to mutual benefit, the Russian President, Vladimir Putin, and Indian Prime Minister, Atal Behari Vajpayee, signed a historic agreement "strategic partnership declaration."¹⁵ The conclusion of declaration marked a step forward in the further enunciation of the principles contained in the bilateral treaties of peace, friendship and co-operation of August 9, 1971; of friendship and co-operation of January 28, 1993; the declaration on further development and enhancement of co-operation of June 30, 1994; and the Moscow declaration on the protection of interests of pluralistic states of June 30, 1994. The declaration was based on mutual understanding and long term confidence in each other, this envisage the elevation of their multifaceted ties to an even higher and qualitatively new level, while imparting them with a specially close and dynamic character, both in the bilateral field and in the international arena. It is also made clear that the strategic partnership between the two countries is not directed against any other state or groups of state.

¹⁵ *The Statesman*, 4 October 2000.

The importance of the declaration lies in building a mature partnership between the two countries in keeping with pragmatic national interests, with effective co-operation in the political, economic, military, scientific and technological field and concurrently with defence and geo-strategy as part of their understanding of security partnership.¹⁶ Such co-operation may perhaps equip each society to face up better to globalisation and international competition. The objective conditions prevailing under Putin's leadership probably offer a better environment for India to deepen a well-rounded relationship with Russia than under Boris Yeltsin's.

To ensure enhanced cooperation the decisions were taken for convening of annual summit level meetings, regular bilateral political and foreign office consultations on the issues of mutual concern, and closer co-operation at the United Nations, including its specialised agencies and institutions, at other international and regional forum. It further intensified their efforts (which was taken during the former Russian Prime Minister, Yevgney Primakov, visit to India) aimed at strengthening international peace and security, general and complete disarmament, systematic and progressive efforts to reduce nuclear weapons globally, with the ultimate goal of eliminating these weapons, nuclear non-proliferation and the peaceful settlement of dispute. Another proposal was the informing of each other of planned foreign policy initiatives, and non-participation in any military-political or

¹⁶ Anuradha M Chenoy, "The Phases in Indo-Russian Relations," in V.D.Chopra (ed.), op-cit, p.185.

other alliances or armed conflict directed against the other side, or in any treaties.

Before Russian President, Vladimir Putin, left for India, at Kremlin, while talking to reporters he called for efforts between India and Russia to combat international terrorism and religious extremism. He said that bilateral exchange of information and joint decision-making could effectively weaken international terrorist groups.¹⁷ Again, on 3 October Putin said, "the events in Afghanistan are a manifestation of broader problems of an international nature," and adding to this during the new conference in Delhi he said: "international terrorism has taken root in the region." He further added that Russia and India: "will coordinate efforts by the state authorities and special services to fight international terrorism."¹⁸ All this was clearly highlighted in the document, and the proposal were also made to co-operate in fighting against the international terrorism, separatism, organised crime, which were some of the problems both the countries were and still today facing.

One of the important developments was the signed of the Memorandum of Understanding (MOU) on mutual co-operation in the field of law and justice. Perhaps, it was the first of it kind, MOU on mutual co-operation between institutions of justice or courts, and their counterparts in each other's country including training of judicial officials and legal education. This co-operating could help in

¹⁷ *BBC Summary of World Broadcast (SWB) FE/3961 A/3, 3 October 2000.*

¹⁸ *Ibid.*, FE/3962 A/3

rendering mutual legal assistance in civil and criminal matters and in matters relating to extradition as well as in other related areas.

During his speeches in the Central Hall of Parliament on 4 October, the Russian President Vladimir Putin assured the Indian leaders of a collective endeavour to fight the source of terrorism that foments violence in both Jammu and Kashmir and the northern parts of his country. Both the countries also decided to establish a joint commission on Afghanistan with a view to evolve joint approach for combating cross-border terrorism, drugs and arms trafficking and contributing to the efforts for bringing peace and stability in the region. Over the Kashmir issues and its related issues of the cross-border terrorism, President Putin strongly supported the Indian government on the collective front to fight terrorism in the state. He knew the importance of Kashmir to the people of India that cannot be separated easily from India. It was evident from his speech in Parliament, which state thus: “ we know at present what is going on in Kashmir. We share your concern about outbreaks of violence there,” and he further added that the absence of a solution to the Kashmir issues has created the relations between the India and Pakistan tense over the several decades. He stressed that the problem (Kashmir issues) had to be resolved by India and Pakistan “on a bilateral basis, on the basis of a compromise and on an unconditional respect for the Line of Control. The President further asserted that foreign interference in the state should be immediately stopped.”¹⁹

¹⁹ *The Statesman*, 4 October 2000.

Discussions were also made between the two leaders of India and Russia over the expansion of the United Nations Security Council keeping in view the present global realities in order to make representative and to increase its effectiveness, although it was already discussed during Primakov's visit to India in 1998. The two sides expressed their unilateral use or threat of use of force in violation of U.N. Charter, and intervention in the internal affairs of other states, including under the plea of humanitarian intervention. This clearly indicates toward the USA intervention in Kosovo crisis, and US led NATO eastward expansion, war on Iraq etc. Therefore both the countries supported the U.N. peacekeeping operations. And their willingness to work together and with others towards a multi-polar world based on sovereign equality of all states, territorial integrity and non-interference in their internal affairs as the only sustainable basis for the emergence of a new, equitable and just international order.

Referring to India's candidature for a permanent seat in U.N. Security Council, the Russian President, Vladimir Putin, said (on eve of his departure for India) that India is a fitting contender and a stability factor in the world politic. Thus, he again reiterated that it supports India, an influential member of the international community, as a strong and appropriate candidate for the permanent membership of the expanded U.N. Security Council. On 3 October, Indian Prime Minister expressed his appreciation for the unqualified Russian's support in the statement at the joint press conference with Vladimir Putin. However, it seem that nothing much on this matter was fully

mentioned in any of the 10 agreements as well as in Strategic Partnership declaration. But if it came into reality, it would be very beneficial in the establishment of their multi-polar worldview.

Another important development was that both the Russia and India agreed to review the gamut of trade and economic relations for strengthening close co-operation within the framework of Indo-Russian inter-governmental commission on trade, economic, scientific, technological and cultural co-operation. Furthermore, both the countries agreed to deepen and diversified co-operation in sectors such as metallurgy, fuel and energy, information technology and communications transport, including merchant shipping and civilian aviation. In order to remove the difficulties, which the Russian and Indian businessmen had been facing over the transaction, both decided for the development of co-operation in banking and finance, and improving credit and insurance facilities.

Mafia network was a common problem between the Russian and Indian businessmen, which led to decreased in the trade transaction amount between the two countries due to fear of it. As a result both underscored the need to create a favourable environment for mutual investment and guaranteeing their protection. Other developments on economic field after the Putin visit were the agreement, which were signed to simplify customs and other procedures and steps undertaken to remove non-tariff barriers and also gradual lowering of

tariff barriers.²⁰ The two sides also agreed to simplify rules and procedures for travel by entrepreneurs and businessmen. Interestingly, the north-south corridor between the India, Russia and Iran, which was signed recently, would be useful for this development. The significant development from the Indian point of view was the agreement on the promotion of joint development and sharing latest technology, as well as decision on the joint exploration of the possibilities of regional trading arrangements with Third World countries. This entire factor would help in strengthening India's economic reforms and technological development.

Despite some political pressure from the USA, and the long-standing international nuclear blocked against India, Russia expanded its nuclear atomic energy co-operation with the India. On 4 October the Russian Deputy Prime Minister, Klebanov, and Principle Secretary to Indian Prime Minister, Brajesh Mishra, signed Memorandum of Understanding (MOU) for co-operation in the peaceful uses of nuclear atomic energy.²¹ Needless to say that this agreement would bring a boost to India's plan to accelerate the nuclear power generation programme.

For consolidating the defence and military-technical co-operation in long-term perspective, Russia and India signed a wide-range protocol to set-up inter-governmental commission on defence and technical co-operation. Apart from this a number of defence

²⁰ "Political Relations: Joint Statement, 5 October 2000," <http://www.india.mid.ru/india/551e.html>

²¹ *The Hindu*, 5 October 2000,

agreements were also signed for purchase of aircraft carrier *Admiral Groshkov*, front-line *T-90* tanks and licensed production in India of *SU-30 MKI* jet fighters. The agreements for purchase of tanks and its subsequent licensed production in India was signed between Joint Secretary in the Defence Minister, Ranjit Issar, and Deputy Director of State Corporation of Uralvagonzavod, the manufactures of the armament system.²² The sources said that a total of about 320 *T-90* tanks (according to BBC Summary of World Broadcast, October 2000) would be inducted with 150 of them being purchased outright and the rest being assembled in India under license. Besides this, Indian Defence Minister, George Fernandes, and Russian Deputy Prime Minister, Ilya Klebanov, also signed an agreement on 4 October 2000, for transfer of licence and technology for building the latest update version of the *SU-30 MKI* at Hindustan Aeronautics Ltd (HAL).

In their process to strengthening the defence ties, both the countries also laid stress on deepening service-to-service co-operation as well as the commission on military-technical co-operation. This move perhaps would provide an opportunity to movement in training, technology-sharing and weapons transfers.

Another development was on expansion of the co-operation in the field of science and technology, which was signed between the Russian Deputy Prime Minister, Klebanov, and the Indian Minister of Science and Technology, Murli Manohar Joshi. This would help in promoting the existing co-operation in fundamental and applied

²² BBC Summary of World Broadcast (SWB) FE/ 3963 A/4

scientific research by establishing the direct ties between scientific research and higher educational institutions. Co-operation in the field of oceanology, agricultural science, medical science and biotechnology, environmentally clean technologies, meteorology, etc. were also one of the agreements among the nine agreements that was signed on 3 October. In the field of Culture also both sides buttressed their ties by concluding several related agreements. By activating contracts between peoples and organisations including in the fields of education, mass media, youth and sports, both Russia and India, thus, widened the exposure to each other's cultural heritage and achievements.

Several positive steps had been taken to implement the decisions reached during President Putin's visit. Prominent among these include: (i) Afghanistan: The Joint Working Group has met thrice in November 2000, June 2001 and October 2001; (ii) Trade and Economic Co-operation: The 7th Session of the Indo-Russian Inter-Governmental Commission was held in Moscow on 17 January 2001. Important decisions on expansion and diversification of trade and economic co-operation were taken: (iii) Defence: The first meeting of the Ministerial Joint Commission on Military-Technical Co-operation was held in Moscow on 4-6 June 2001: (iv) Oil exploration: Agreement on ONGC Videsh's investment in the Sakhalin-I project was concluded in February 2001: (v) Inter-Regional Co-operation: The Inter-Governmental Agreement between on the principles of co-operation between the states and union territories of the republic of India and the Administrations (governments) of the subjects of

Russian Federation signed during President Putin's visit to India has entered into force. The first meeting of the Working Group on co-operation between regions was held in Moscow on 14 December 2000.

The increasing trust and mutual understanding between the two countries in 21st century characterised the Indo-Russian political relations. This process was further strengthened by a regular exchange of visits between leaders of the two countries in different areas. Since the visit of Russian President, Vladimir Putin, to India in October 2000, there were 14 ministerial-level visits between the two countries in 2001. These included the meeting of the Inter-Governmental Commission for trade, economic, scientific, technological and cultural co-operation (IRIGC) in Moscow in January 2000, co-chaired by Finance Minister, Shri Yashwant Sinha, and Deputy Prime Minister, Ilya Klebanov, followed by the Inter-Sessional Review Meeting in Delhi in October; Defence and External Affairs Minister, Shri Jaswant Singh's visit to Russia for the first meeting of India-Russia Joint Commission on Military-Technical Co-operation in June 2001; Foreign Minister Igor Ivanov's visit in May 3-5, 2001 to India; Information Technology Minister, Shri Pramod Mahajan's visit to Russia in September; and Human Resources Development Minister, Murli Manohar Joshi's visit to Russia October. Wide ranging contacts at the official and expert levels as well as cultural, academic and people to people exchanges had also been maintained. All these together played an important role in strengthening the Indo-Russian political relations. Furthermore, all these exchange of visits between the two sides build up a new impulse, greater depth and content to

Indo-Russian relations and consolidated the positive trends that were emerged in recent years. The visits further accelerated the enhanced tempo in bilateral relations, deepened political understanding and expanded the range of economic interactions.

Continuing tradition of high-level exchanges between the two countries is reflective of special and enduring bonds between India and Russia. While there was dynamism and change in the relationship, there was also a remarkable degree of continuity and stability, based on national consensus in Russia and India, as well as mutual goodwill and trust and sensitivity to mutual interests and concerns.

3.5 Prime minister Atal Behari Vajpayee official visit to Moscow:

Prime Minister Atal Behari Vajpayee's Moscow visit in November 4-7, 2001, was taken place against the backdrop of the declaration on Strategic Partnership, signed during President Putin's highly successful landmark visit to India in October last year, which envisaged annual summits to carry forward political dialogue. It was during the presentation ceremony of accepting the credentials of the India's new ambassador to Russia, Mr. Krishnan Raghunath, President Vladimir Putin asserted the November visit of the Indian Prime Minister, Atal Behari Vajpayee, to Russia as a milestone in bilateral relations between the two countries.²³

In the joint statement, between the two on November 6, 2001, on strategic issues both the leaders reaffirmed their commitment to

²³ *The Hindu*, 28 August 2001.

co-operate bilaterally and at the multilateral level for the development of the multi-polar world based on a new co-operative security order. The continuity of Indo-Russian co-operation on several regional and international issues contributed to Eurasian stability, and also were a major factor of the global significance. Therefore, both the leaders had given an important emphasis to active co-operation between the two countries in addressing issues of global and regional security, including threats posed by terrorism and extremism.

Beside, bilaterally and in multilateral forums, their joint efforts in promoting this (global and regional security) objective, both sides expressed their support to preserving existing arms control and disarmament agreements, including the Anti Ballistic Missile (ABM) treaty. The coincidence of their interest on this subject was evident from their support for the U.N. Security General's proposal noted by the Millennium declaration for an international conference to address and effectively eliminate nuclear dangers and for the proposal to convene the fourth special session of the U.N. General Assembly on disarmament.

Another important result of the Prime Minister Atal Behari Vajpayee's Russia visit was the Moscow declaration on international terrorism. Since a threat from the extremist of Islamic fundamentalist to multi-pluralistic society of the Russia and India, struggle against international terrorism, who were driven by difference motives-political, ideological, racial and ethnic, religious or any other, had become one of the priority tasks of them. So, from this background the Moscow declaration on international terrorism was a right move

by both the countries. Under this declaration, both India and Russia supported the adoption on the basis of international law of decisive measures against all states, individuals, and entities that render support, harbour, finance, instigate or train terrorists or promote terrorism.

India and Russia had also given a major concern to development of turmoil situation in Afghanistan. It was during the President Vladimir Putin's visit to India in October 2000 that both India and Russia for first time accorded highest priority on Afghanistan in the framework of the Indo-Russian Joint Working Group on Afghanistan. They strongly criticised Taliban rule and sought for co-operation to international community in reconstruction of Afghanistan as well as for bring up peace and stability in Afghanistan. Keeping in view the increasing importance of stability and security of Central Asia to India and Russia, the Moscow declaration on international terrorism was very essential or relevant. Apart from this development several improvement were also taken place in the trade relations, defence ties, and in the field of science and technology between the two countries. All these developments and initiations that were taken jointly by India and Russia strengthened the political relations between the two countries and it further paved the way for the years to come.

CHAPTER - FOUR

INDO-RUSSIAN ECONOMIC RELATIONS

Chapter -IV

INDO-RUSSIAN ECONOMIC RELATIONS

Economic relations were one of the important features, which strengthened the political ties between India and Russia since the Soviet era. However, the amount of the trade between the two countries is currently lower than what it was during the Soviet period. In the fast changing international trade market, with increased pressure from globalisation, as well as the post Cold War uncertainty in both the countries, internal economics conditions, has led them to diversify their relations with various capitalist's countries of the west. Yet the importance of geo-economic of each country remains still relevant to development of the ties between the two countries. It was after the former President Boris Yeltsin's visit to India in 1993, both Russia and India resumed economic relations and paved the way for further development. Since then, the frequent exchange of delegates between the two, further buttresses economic ties. The Russian President, Vladimir Putin's visit to India in December 2000 and signing of strategic partnership marked this improvement.

4.1 Historical Background:

In the early 1950's Soviet and Indian leaders worked out economic relations between the two countries according with the changed international system and the economic and political

developments in India. For example the emergence of the bipolar world and the developing role of India in it as the chief founder of NAM (non-aligned movement) marked the beginning of the Indo-Soviet economic relations. The first long-term (five years) trade agreement was signed in December 1953, and five years later, the second agreement was concluded in 1958. This further strengthened the political ties between the two countries. Meanwhile, the economic relations between USA and India began to worsen with increased divergence in the motive behind aid programmes of USA (until the USSR entered into the aid giving business, the US was virtually the only donor to India). As a result the former Soviet Union became one of the major trade partners of India, and India's top export market. Soviet Union contribution to India's industrialisation was immense. In 1955 both the countries signed an agreement to set up a modern integrated iron and steel plant at Bhilai. In the first half of 1970's the political ties between the two countries turned into a new dimension after the Indo-Soviet treaty of peace, friendship and co-operation in 1971 was signed, which was further strengthened by expanded the economic ties between the two countries. In September 1972, the Indian Planning Minister, D.P.Dhar, visited Moscow and signed an agreement with the Soviet Union leaders for the establishment of 'Intergovernmental Soviet-India Commission' on economic, scientific and technical co-operation. Beside this, another important development was the introduction of a joint production system between the two countries.

Through out Indo-Soviet relations, both the countries had signed eight long terms (five years) trade agreements were signed. As a result trade between the two countries improved from Rs 1.3 crores in 1952 to Rs 4600 crores in 1986, and Rs 7,800 crores in 1990-91. India's exports increased from Rs 1,226 crores in 1980-81, to Rs 5,255 crores in 1990-91 and her imports increased from Rs 1,014 crores to Rs 2,548 crores during the same year. In 1990-91 more than 17 percents of Indian exports went to USSR and about 5.9 percents imports came from it.

The distinct feature of Indo-Soviet economic or trade ties was that of specific arrangement called the "Rupee payment." The major significance of this system in both the countries was that neither India nor Soviet Union had to use hard currency. This was basically a refined form of barter system that worked quite effectively through out the Indo-Soviet ties.¹ The benefit, which the Soviet Union had under their aid supplied to India, was that it helped to promote its exports. India, on the other hand, also got a distinct advantage to promote its export trade as the payment of the Soviet Union credits to her was used to export commodities to that country. The surplus capacities of the Soviet Union were utilised for exporting heavy industry products to India in exchange for the consumer goods, whose product was a low priority in the Soviet Union. Items like machines, equipments, technical Know-how and certain raw materials required for establishment of India's export trade constituted the bulk of Soviet Union exports to India. In return,

¹ R.L. Varshney, "Trade Relations between India and Russia," in V.D. Chopra (ed.) *Indo-Russia: Relations Prospect Problem and Russian Today*, Delhi: Kalpaz, 2001, p.93.

Soviet Union imported items like tea, coffee, tobacco, spices, pepper, cosmetics, drugs and pharmaceuticals, detergents, leather goods, groundnut etc.

Significant changes took place in the late 80's and the early 1990-91 within the internal political, social, and economic situation in the both the countries, which had their impact on the economic relations between the two countries. For instance, in USSR, attempt was made to transform the centrally planning economic system to a capitalist system. The effort was to remove state owned enterprise to a new class of individual entrepreneurs. In mid 1980's, the President Mikhail Gorbachev made an effort to minimise state control under '*perestroika*'.² And under his '*glasnost*' brought several changes both in the society too. Thus, above all these affected the country's economic conditions, e.g. emergence of several organisations or associations and transformation of centrally planned economy to market economy. He authorised private enterprises to be launched. But, in 1987, when it was launched for first time, Gorbachev restricted entry of students and government servants including the pensioners into the private sector, with fear of its consequences to the industrial out-put. The international economic organisation like IMF and World Bank also played vital role in initiated the reform process for the Russian economy.³ Actually, international economic institutions like IMF (International monetary Fund) had already played an important in the process of the transformation of the Eastern European economy to

² Anuradha M Chenoy, *The Making of New Russia*, New Delhi: Har-anand Publication 2001, p.190.

³ *Ibid.*, p.191.

market economy before 1989. For instance, it had already enjoyed a decade of close co-operation with government in Poland, Hungary and Yugoslavia.⁴

President Boris Yeltsin made several efforts for the systematic transformation of Russian economy to market economy under 'Shock Therapy', under the influence of the IMF. He announced for the privatisation programme. Prices and administrative controls were lifted, and state subsidies reduced. But, owing to the profits in these private sectors, they immediately became targets for criminal elements and racketeers, called "the mafia". Since then, the mafia came to control virtually all private restaurants and retail operations (as well as most trucking operations). Freedom to enter the market by other businessman was effectively restricted, and thus, limited supplies of goods, thereby maintaining high prices. As a result, the fear among the Indian businessman made them to withdraw from regular trade and caused irregular trade transactions (particularly in defence trade) between the two countries. Moreover, it worsened the county's economy conditions. Consequently, Russian gross national product (GNP) was also declining between 20 and 25 percent a year, inflation was skyrocketing at an annual rate of 1,000 percent, and the budget deficit amounted to between one-fifth and one-quarter of GNP.⁵

②

⁴ Laszlo Andor, and Martin Summers, *Market Failure: Eastern Europe's Economic Miracle*, London: Pluto Press 1998. p.26.

⁵ Marshall I. Goldman, "Needed: A Russian Economic Revolution," *Current History* (Canada), vol. 91, no. 567 October 1992, pp. 314-320.

Table.1. Indo-Soviet Trade Relations 1960-61 to 1990-1991

Year	Indian Exports	Indian Imports	Total	Difference in exports and imports
1960-61	29	16	45	13
1970-71	209.8	106.1	315.9	+ 103.7
1980-81	1225.7	1013.7	2239.4	- 212
1990-91	5255	2528	7783	+ 2727

(Rs Crores, 1 crore = 10 million)

Source: *Economic Survey* (Government of India); *Statistical Pocket Book India, 1985*, Indian Ministry of Planning, Central Statistical Office.

India was committed to planning from 1950 through 1980, in which both the center and state governments made heavy investment towards industry and infrastructure. As a result, India became one of the developing industrial countries in the 1980's. However, the increased mismanagement of fiscal and monetary economy led to deficit. The development in budget deficit was accompanied by erratic supply of the goods from the Soviet Union in late 1990 and early 1991, which characterised the deterioration of Indo-Soviet economic ties. By the end of decade, excessive borrowing was the main sources of financed in both the internal budget deficit and the external payments shortfall from the excess of import over export.⁶ Politically, there was instability of the government during the years 1990-91. The National


⁶ Johns Adam, "Reforming India's Economy in an Era of Global Change," *Current History* (Canada), vol.95, no. 600 (April 1996), P. 152.

Front government under the prime ministership of V.P.Singh fell under the weight of its own contradictions in late 1990. Nothing was different to Chandrashekhar's government, which also lasted very short. In June 1991, Congress came to the power under the leadership of P.V.Narasimha Rao, and managed to provide political stability to the country.

4.2 Disintegration of USSR and Indo-Russian Economic Ties:

The sudden collapse of the Soviet Union marked the decline of economic ties between India and Russia. But India had already closed its trading accounts with the Soviet Union on 28 December 1991, immediately after the formal disintegration of the Soviet Union, and new accounts were opened in the name of the CIS (Commonwealth Independent States). However, since the suppliers (mainly concerned with military hardware) were scattered around the 15 independent countries, it was a difficult task for India. Meanwhile, both the countries sought for external financial assistance from the international donor agencies like the IMF (International Monetary Fund), and World Bank etc. to manage financial crisis and stimulated economic growth. Thus, India and Russia diversified their modes of interaction with the transnational regimes.

In its process to diversification Russia had launched to strengthen trade relations with Germany, US, Italy, Japan and China,

while the Indo-Russia trade was almost neglected by the Russian side.⁷ 

Like Russia, India had already carved out its economic reform and strengthened ties with South Asian countries by activating the co-operation among the member states of the SAARC (South Asian Association for Regional Co-operation). In addition, under its "look east policy" friendship and co-operation was also extended with ASEAN (Association of South East Asian Nations).

In February 1992, and again in May, for the first time Russia and India signed an agreement on rupee payment protocol and long-term trade and co-operation accord. The agreements also made a special reference on related issues like fixing of the exchange rate between the two countries. Apart from this, Russia claimed that India owed it \$ 16 billion debts. However, India argued that with her entering into the World Bank, and IMF, etc. Russia should accept international exchange rate. So, according to India, the amount of debts that had to be paid to Russia was \$ 12 billion only. But, both the rupee and rouble exchange rates were devalued in 1991, because of which a dollar was equal to 417 roubles. Actually, during the Soviet era, both the countries followed the exchange rate of 1978 protocol in which 1 rupee was equal to 10 roubles.⁸

Despite these developments, both India and Russia decided to established Inter-governmental Commission on trade, economic, scientific, technological and cultural co-operation in their May

⁷ Rajen Harshe, "India and Russia in a Changing World," *Economic and Political Weekly* (New Delhi), vol. xxxiii, no.9, February 1998, pp. 457-460.

⁸ Dr. Tahir Asghar, "Indo-Russian Trade: An Overview," in Shams-ud-din, (ed), *India and Russia Towards Strategic Partnership*, New Delhi: Lancer's Book 2001, p. 217.

discussions. Twelve working groups, which covered different spheres, were established within the framework of the commission on: trade and economic co-operation, power and non-conventional source of energy, petroleum, ferrous and non ferrous metallurgy, science and technology, culture, coal, information technology, environment and natural resources, pharmaceuticals, co-operation between region, co-operation in civil aviation, etc.

The defence trade between the two countries was undermined by the sudden collapse of the Soviet Union. For India, the regular supply of Russian weapons and spare parts was crucial in order to keep its defence machinery in proper shape. As a result, India's Defence Minister, Sharad Pawar visited Moscow in September 1992 and discussed for high-level military co-operation with his Russian counterpart, Pavel Grachev. Moreover, he made an effort to establish defence trade relations with Ukraine and other Eastern European countries, too.

In January 1993 Russian President, Boris Yeltsin visited to India. His visit strengthened not only the political relations but also economic relations between the two countries in the post-Cold War era. The issue of the rupee-rouble exchange rate between Russia and India was resolved. Thus, the conclusion was drawn that India owed Rs 36,000 crores debt to Russia. This amount was arrived at by using the exchange rate of 1 rouble to 19.9 rupees, which had been existing since 1 January 1990. However, there were several arguments among the Indian public, since the issue was resolved by accepting the artificial

rouble rate, and overvalued in India's disadvantage. In reality the market price of a rouble was equal to Rs 5 to 6.⁹ According to this agreement, India had to pay back the debt amount of 19.660 crore by annual installment of 3,000 crores, by using this exchange rate over a period of 12 years at the interest rate of 2.4 percent. The remaining amount would be paid over a period of 45 years, without any interest and at the exchange rate of 1 rouble for 31 rupees.¹⁰

However, the increased accumulation of the India's repaid rupee in Moscow characterised the initial years of 1994. Meanwhile the Russian importers were facing the problem of the withdrawal of the state subsidies and the imposition of custom duties launched by the Russian government. This not only affected the Russian economy by reducing their transaction, which helped to earn the hard currencies, but also gave a blow to Indo-Russian trade relations. In addition to these, there was a claim from the Russian side that the Indian goods were of the low quality. On the other side, the overall deterioration in the Russian economy; dismantling of the old economic institutions of central planning into market economy with poor implementation; irrationalities in Russia's tax structure and transportation problems; and the increased role of the mafia and criminal organisations acted as constraints for India to export to Russia.

Since the accumulation of the debt repayment funds (rupee fund) in Moscow affected the trade ties between the two, Russian government

⁹ Sunil Kanwar, "Rupee-Rouble Agreement: Was it a sell Out?," *Economic and Political Weekly* (New Delhi), vol. xxxviii, no. 11, March 1993, pp.431-432.

¹⁰ Ibid.,

started to look out for a mechanism. Announcements were made for auctioning of the Indian cleared rupees in 1994. This means that the Russian importers would have had to pay their auctioning agencies in roubles for acquiring the rupee debt for making imports from India. However, all the imported goods through this system should be used to sale only within the Russian Federation. But India government feared that the importer might use the imported goods for re-export to other third countries for earning hard currencies. So, the chances of affecting the Indian Market by those third countries was very high, and could lead to devaluation of Indian goods.

The Indian Prime Minister, P.V.Narasimha Rao visited Moscow in June 1994, which brought several developments both in the political and economic ties between India and Russia. During his discussion with the Russian leaders, focus was given on the question of auctioning of the rupee fund, although it was done as late as July-August 1997. And also discussions were made on the way of clearing the annual rupee debt of Rs 3,000 crores since the accumulation of rupee debt slowed down the Indo-Russian trade ties. The Russian Prime Minister, Victor Chernomyrdin made a proposal for reinvestment of rupee funds in equity capital in India, in sectors like energy including thermal, hydro and atomic, fuel, and electronic etc. Another initiative to improve the debt repayment mechanism was on granting of 180 days deferred payment facility to Russian importers of Indian goods.¹¹ ✓

¹¹ R.G.gidadhubli, "Auctioning of Rupee Funds: New Relations," *Economic and Political Weekly* (New Delhi), vol. xxix, no. 31, (July 1994), p.1994.

As a result of these joint efforts by Russia and India for strengthening their economic ties in early 1994, the trade transactions between the two were improved. However, there was a decline in exports of tea, cashew, castor oil, chemicals and engineering items, although the demands for the Indian goods like textile fabrics, readymade garments and pharmaceutical items, leather, toothpastes, medicine, detergent, Soya bean, spices, tea, tobacco, cosmetics, bed linens, etc.¹²were high in Russia. Significantly, the accumulation of the rupee debt in Moscow was bit slowed down, and the cleared rupee debt went up from 20 to 30 percent in June 1994, to 70-90 percent of the rupee-rouble cross rate through the dollar.

It was the official visit by Russian Prime Minister; Victor Chernomyrdin to India in December 1994, which further strengthened the bilateral trade between the two countries. An agreement was signed over the construction of 2000MW nuclear power plant in India at Kudankulam (Tamil Nadu) under the guidelines of IAEA (International Atomic Energy Agency). So far, the 2000MW Kudankulam nuclear power plant was the biggest Russian aided project in India. From the India point of view, the Kudankulam project further strengthened the domestic nuclear power programme. It was a matter of fact that the domestic power programme itself had progressed extremely well in the meantime in India. Already 14 nuclear power reactors were in operation in India with a total installed capacity of 2720 Mwe. After all, this joint

¹² Dr. Rama Sampath Kumar, "Debt Repayment to Russia," *Third Concept* (New Delhi), vol. 8, no. 91-92, (September-October 1994), p.18.

venture in Tamil Nadu over the nuclear power project further buttressed the techno-commercial ties between the two countries.

In addition to this, both the leaders of the two countries also made a separate agreement for the construction of Novorossiysk seaport, which would help India's exports to Russia as well as easy access for Russia also. The traditional port of Odessa was once a vital seaport for Soviet Union, but after the disintegration the port went to the independent country of Ukraine. Both these projects (Kudankulam nuclear plant in India and Novorossiysk port in Russia) would be financed from the India pay rupee debt amounts. A long-term agreement over the export of the tea, tobacco, and pharmaceuticals from India and metal products, fertilisers and newsprints from Russia was also signed. Thirty agreements on joint ventures had already taken off in diverse areas including leather goods, computer hardware and engineering plastic etc.¹³ Another sign of development, in the meantime, was the agreement signed on cooperation between the Russian Chamber of Commerce, and the Federation of Indian Chambers of Commerce and Industry (FICCI) and the Associated Chamber of Commerce and Industry (ACCI).

Further efforts were worked out for the development of the Indo-Russian trade relations during the first Russian Deputy Prime Minister, Anatoly Chubais visit to India in 18 December 1997. At this juncture, the delay in the transaction of goods, credits issued as well as the problems of the transportation deteriorated the smooth flow of the

¹³ Shashikant Jha, 'India and Russia: Challenges of Rediscovering the Past Linkages,' in Shams-ud-din, (ed), *op.cit.*, p.46.

export and import between the two countries. It was against this background that the Indian Bank such as Canara Bank, State Bank of India, and Central Bank were established in Moscow. It provided the opportunity to promote the exports between the two nations. Thus, it overcame the problems of long time consumption in both the field of opening of letters of credits, shipping and transportation.

In 1995-96 the Indo-Russian trade relations showed some improvement but it again fell down in 1996-97. Around this time, India's export had declined by Rs 616 crores while import declined by 633. However, the Indo-Russian trade witnessed an upward trend till the economy was caught up with financial crisis in 1998. It was noticeable that around this time the Russian economy had begun a declining trend. The increased debt default and decline of rouble value further worsened their economy. In fact in 1996, decline in the economy was greater than in 1995, the real GDP declined by 6% and budgetary balance as percentage of GDP went down by 7.7 percent.

4.3 The Russian Economic Crisis:

The crash of the Russian economy in August 1998 was a multi-dimensional crisis: financial, political and institutional. It rather exposed the failure of the policy initiated by liberal politicians (1991-98). The overall poor economic performance in their major sectors viz. industry and agriculture, was further worsened by widespread corruption, inequality and poverty in Russia. Since 1992 a large section of economic transactions were conducted through barter, and it was

estimated by 50 percent by May 1998.¹⁴ This led to the demonetisations (and monetary fragmentation) and simultaneously with the decrease in the inflation rate. Apart from this, the increased criminalisations of the economy by the mafia further worsen the declined economy of the Russia in mid 1990's. They created an atmosphere of terror among the small businessman. As a result, the growth of the small business was a big failure, and number of the people worked in officially registered small enterprises fell by 48 percent in 1995 to mid 1997. Meanwhile, the Russian stock market suffered a severe blow with index falling to 168 points from 572 points. Fearing devaluation of the rouble, there was a rush to convert rouble into dollars by the foreign firms.

Before the crash of 1998, the Russian economic situations were marked by various features that made her economy vulnerable to collapse. The external debt of Russia was mainly inherited from the USSR, and it was increased from year to year. In May 1998, Prime Minister Sergei Kiriyenko, articulated anxiety about Russia's growing indebtedness to foreign creditors. During this period, Russia was obliged to spend as much as 30 percent of its budget on the repayment of foreign loans. Apart from this, Russian government borrowed a large amount of loans from IMF, with the first payment being delivered in June and July.¹⁵ By the end of May 1998, total external debt had crossed \$ 145 bn surged from \$ 120 bn in the beginning of the year.

¹⁴ Jacques Sapir, "Russia's Crash of August 1998: Diagnosis and Prescription," *Post-Soviet Affairs* (Columbia), vol. 15, 1999, p. 3.

¹⁵ Roy Medvedev, *Post-Soviet Russia: Journey Through the Yeltsin Era*, Translated and edited by George Shriver, London: Columbia University Press 2000, p.308.

But also heavily borrow of the foreign capital further increased its external debt burden.

Table:2, Major Economic Indication of Russia:

	1992	1993	1994	1995	1996
Real GDP	- 14.5	- 8.7	- 12.6	- 4.0	- 6.0
Growth %	1354	876	307	198	48
Inflation per cent	42.4	44.9	51.6	64.9	70.1
Hard Currencies export \$Bn	35.0	35.4	37.7	42.2	42.2
Gross debt \$ Bn	79.0	83.1	94.2	105.7	107.8
Budget balance per cent of GDP	10.3	-7.0	-10.7	-5.7	-7.7
Exchange rate (Rb Vs \$)	220	932	2191	4558	5121

Source: *Economic Intelligent Unit, Report 1, (quarter 1997).*

The increase inflow of the foreign capital in Russia rather increased the foreign exchange treasury of the central bank, allowing the rouble's exchange rate to stay within its officially firm corridor and enabling the state to finance part of its budget deficit with foreign capital. However, the poor Russian economy situation was again deteriorated by the outbreak of the Asian financial crisis at the end of 1997, which led to declining of the world energy price, because the Russia was heavily dependent for foreign exchange and budget revenue on energy export. Simultaneously, there was a growth of the internal public debt. By the end of 1997, the interest burden of the internal debt

was to more than 55 percent of actual tax incomes in the federal budget.¹⁶

During the June 1998, the government borrowed from the international financial and capital market with additional loans from the International Monetary Fund (IMF), bringing a deficit to the country, which had increased to alarming degree. The situation was further degenerated by the government announcement of cutting down the expenditure and increase in the taxation. Meanwhile, the volume of industrial production was 9.4 percent lower than in June 1997.¹⁷ Furthermore, the real income of the total population declined by almost 10 percent. Under these provisions devaluation of the rouble and delay of debt repayment were inevitable.¹⁸ By August, inflation in Russia had shot up; the Russian banking system collapsed (it began feverishly selling off the government securities they owned), and Russian imports fell sharply.

The crash of 1998 (banking and financial crisis) led to the sharp decline in Russian overall foreign trade. The total trade turnover in 1998 was decreased by 18 percent. At this point, Indian economy too had a slowdown for some period of time due to the Asian crisis of 1997. All this had its impact on the bilateral trade relations between Russia and India in 1998. In 1997-98, India's share was just 2.4 percent of export and 1.6 percent of imports, and in 1998-99 the total share of export was 2.7 % and 1.6 % in the imports. Efforts were made from

¹⁶ Michael Ellman and Robert Scharrenborg, "The Russian Economic Crisis," *Economic and Political Weekly* (New Delhi), vol. xxxiii, no. 52, December 1998, pp.3317-3322.

¹⁷ Roy Medvedev, *op.cit.*, p. 302.

¹⁸ *Ibid.*,

both the countries for further strengthening the trade relationship between the two. In October 1998, Indian Finance Minister, Yaswant Sinha visited Moscow, and accepted the Russian proposal for the repayment of half its rupee debt in the form of goods, particularly food, medicine and computer, during the 5th session of the Indo-Russian Inter-Governmental Commission (IGC) in Moscow on 24 November 1998. Meanwhile the imports of fertilisers, newsprint and metals ferrous, and non-ferrous, from Russia had declined approximately by \$ 30 million from corresponding period of the previous year, due to an anti-dumping duty imposed on Russia, Ukraine, Kazakhstan by India. Thus India stressed the need for development of exports in these items.

Another important development in the field of co-operation, despite slow down in trade transactions due to economic crash in Russia, was increasing involvement of Russia in modernisation of the Indian industries. For instance, the Russian companies were taking part in the modernisation of “Bhakra” and “Tehri” Tandem hydropower system. Russian power generating equipment was being supplied to a number of Indian chemical and metallurgical units. A significant technical and technological assistance had also been rendered to several “SAIL” metallurgical network units as well as to a number of Indian coal-mining enterprises.¹⁹ And the expansion of the joint venture system between the two countries further strengthened the ties between the two countries. Some of the Indian joint ventures in Russia were

¹⁹ “Russian-Indian Relations: Trade and Economic Co-operation,” from Embassy of Russian Federation in the Republic of India, <http://www.India.mid.ru>

established e.g. rice's packaging units (Lucky exports), a tea packaging units (Amter).²⁰

After the Russian Prime Minister, Yevgeny Primakov visited India in December 1998 the Indo-Russian ties had turned into a new dimension both in the field of political and economic and social ties. Here, a shift could be observed in areas of economic interaction, that is, from the traditional areas (foods, steel, power, coal and pharmaceutical) to areas like space, information technology, and robotics and oil exploration. In coal mining, Russia successfully supported India in modernisation of big coal mining enterprises with modern technology, where Russia wants to be very active and seeks joint ventures with India. The joint venture mean that both countries elevated technical and production ties. Both India and Russia also stressed their commitment for expanding co-operation in transport, power, petroleum and natural gas and coal sectors, and project export from Russia to India.

During the Soviet era, most of the Indian trade with Soviet Union was carried through Odessa, which has now gone to the independent Ukraine. After the disintegration the route to Russian port of St.Petersburg used to passes through Suez Canal, and Kotka (Finland), and Rotterdam (Netherlands),²¹which consumes a long period of time (40 to 60 days to reached Russia) and expenditure. So, during the Indian Prime Minister, P.V.Narasimha Rao's visit to Moscow in 1994 an

²⁰ R.G.Gidadhubli, "India-Russia Economic Relations: Issues and Prospects," *Economic and Political Weekly* (New Delhi), vol. xxiv, no. 20, (May 1999), pp.1218.

²¹ Gulshan Sachdeva, " Indo-Russian Trade and Economic Relations: Present realities and Future possibilities," in Shams-ud-din (ed.), *op.cit.* , pp. 191-200.

agreement was signed to reconstruct the Novorossisk port from the rupee debt payment. An inter- governmental agreement on International North-South Corridor between India, Iran and the Russian Federation was signed in St. Petersburg on September 12, 2000. And it was ratified by all the three signatory states. And proposed new route comprised both sea and land across between India, Iran and Russia, which might short out the earlier problems of transit time consuming and expenditure of transportation of goods to the Russian Federation and European countries. The new route was from Mumbai-Bandar Abbas (Iran) and Astrakhan (Russia), which will take as much as ten days to reach the goods to Russian cities. However, Indian exporters may face difficulties since they have to compete with their counterpart China and South Korea with their cheaper as well as better quality goods, who are having the advantage of proximity to Russia.²²

The Indo-Russian bilateral relation was further enhanced by the signing of a 'strategic partnership' during the four days visit to India by Russian President, Vladimir Putin in October (2-5) 2000. The declaration also stressed for strengthening close co-operation within the framework of the Indo-Russian inter-governmental commission on

²² Anuradha M Chenoy, " The phases in Indo-Russian Relations," in V.D.Chopra (ed.) *op.cit.* , pp. 61-71.

Table 3. Indo-Russian Trade 1992-93 to 1999-00 (Rs Crore)

Year	Exports	% Share of India's Total Exports	Imports	% Share of India's Total Imports	Balance of trade
1992-93	1,759	3.3	714	1.13	1045
1993-94	2,037	2.9	807	1.1	1,230
1994-95	2,534	3.1	1,584	1.8	950
1995-96	3,496	3.3	2,864	2.3	632
1996-97	2,880	2.4	2,231	1.6	649
1997-98	3,542	2.7	2,521	1.6	1,021
1998-99	3,038	2.1	2,221	1.3	817
1999-00	952.60*	2.53	618.23*	1.31	334.37

*(US \$ million)

Source: *Economy Survey* (Government of India),

trade, economic, scientific, technological co-operation, as well as other joint venture of business and industry. His visit to India meant business in the bilateral ties, and major section of the agreements were dealt with trade and economic relations between India and Russia. At present, the businesses in both the countries are strongly conducted by the private sectors. Therefore, the development in co-operation between the two countries with wide areas of co-operations means an opportunity to private sectors. Furthermore, both the leaders of India and Russia signed an agreement for simplifying customs and other procedures and promoting the removal of non-tariff barriers and gradual lowering of tariff barriers.

Apart from this, a multimillion contract on the joint exploration of gas field in the Bay of Bengal was signed between the Russian gas giant "Gazprom" and the "Gas authority of India Ltd." The integrated long-term programme of co-operation in science and technology (ILTP), which was signed in 1987 by the former Soviet Union President Mikhail Gorbachev and late Rajiv Gandhi. It was in April 1992 that ILTP was converting from Indo-Soviet to an Indo-Russian programme. Thus, it has provided a platform for research and development based for undertaking studies including those on the pharmaco-kinetics of ayurvedic drug, toxicity. So far, 154 projects had already been completed e.g. establishment of three joint research centres for powder metallurgy and new material at Hyderabad, and Institute for Computer Aided Design (ICAD) of the Russian Academy of Science in Moscow. It was during President Putin visits India the agreement was signed for extending ILTP for another ten years until 2010.

In February 2001, India Petroleum Minister R.Naik visited Moscow and agreement was signed between the Indian oil company "ONGC Videsh Ltd" and the Russian "Rosneft" on the joint exploration of Hydrocarbon reserves on the Russian far-eastern island of Sakhalin. This project provides evidence that Russian-Indian strategic partnership in the economic and investment in the 21st century were strongly set up despite having some differences between the two countries. Another multimillion contract was between the Indian Oil Company "ONGC Videsh Ltd" and Russian oil gaint " Lukoil."

4.4 Defense co-operations:

A reform took place in the Russian defence industry since late 1980's. This factor along with the post Cold War reality led to the erratic supply of the Russian defence products to India. After the disintegration of the Soviet Union in December 1991, many of its military industries, which were once the major sources of the economy, were transformed into the civilian industries. On the other hand, the continuity of the dependences to the Russian defence establishment deteriorated the development of the indigenous military industry in India. As a result India faced an immediate crisis in its defence supply with the collapse of the Soviet Union. Efforts were made from the Indian side to strengthen the defense ties between the two countries during the Indian Defense Minister Sharad Pawar's visit to Moscow in 1992.

The growing significance of the Indo-Russian military co-operation cannot be underestimated in this 21st century. In fact, the post-Soviet Russia and India re-established to build up the military co-operation successfully after the Russian President Boris Yeltsin's visit to India in 1993. But India's growing military capabilities and widening Indo-Russian defence ties have had a pressure from the US government. For instance, the intervention of the US in cryogenic rocket engines between Russia and India as well as in the transfer of the rocket engines technology to India in 1993. The post cold war bilateral defence ties between Russia and India is characterised by limited procurement, joint research and development and service-to-service co-operation.

The military co-operation between the two countries had turned into a new development after the Russian Prime Minister Victor Chernomyrdin's visit to India in 1994, Russia agreed to help India in upgrading its one hundred seventy *MiG-21 BIS* Fighters to *MiG-21-93* Fighters in order to keep them combat-worthy. In July 1994, both India and Russia signed an agreement to set up a joint venture company, Indo-Russia-Aviation Private Ltd in India. This will produce spare parts for military aircraft of Russian origin. India had a license to manufacture, and for joint production, which can provide an opportunity to get involved in defence related transactions with other third world countries. For instance, in MiG-29 aircraft deal between Russia and Malaysia through a provision of training pilots to fly the MiG-29s in India itself.²³

During the visit to India by the Russian Defence Minister in October 1996 the agreement was signed on co-operation between the defence establishments of the two countries. In March 1997, the Indian Prime minister, H.D. Deve Gowda visited Moscow, despite significant differences in perception of each others foreign policy- both the countries agreed to co-operate even in certain sensitive areas. India also made a contract to purchase highly sophisticated 40 fighter aircrafts called the *SU-30k* for about \$ 1.5 billion.²⁴ This modern jetfighter had not been fully inducted into the Russian air force and that China had been given only *SU-27*. Russia also had shown its willingness to India for

²³ O.N.Mehrotra, "Indo-Russian Relations After the Disintegration of the USSR," *Strategic Analysis* (New Delhi), vol.xix, no. 8, November 1996, p.1139.

²⁴ Jyoti Malhotra, "Indo-Russian Relations," *World Focus* (New Delhi), vol. 18, no.5,(May 1997), p. 15.

supplying the state-of-the-art *T-90* tanks.²⁵ But the significant agreement came much later during the Russian Prime Minister Yevgeny Primakov's visit to India in December 1998. Russia offered a new air defence system and a \$ 10 billion military deal. Another important result of this discussion between the Indian and Russian leaders was the signing of agreement called the long-term programme of the military and technical co-operation till the year 2010.²⁶

On May 29, 2000, a series of demonstration flights were conducted at the Sokol airfield (co-located with production facilities for *MiG-29* ("Fulcrum") and *MiG-31* ("Foxhound") fighter-interceptors). Its main purpose was to demonstrate the effectiveness of Radar-Absorbent Materials (RAM) and the coatings developed at the Moscow Institute of Applied and Theoretical Electrodynamics. It was showcased to the coming visit of the Indian Defence Ministry to that country. So, a major break through in the Indo-Russian defence trade had taken place in June 2000 during the Indian Defence Minister, George Fernandes's visit to Moscow. The agreement of \$ 400 million deal for the supply of one hundred *T-90* main battle tanks (MBT) was signed; further a license was given to India for production of 200 MBT. Apart from this, both the countries agreed to speed up the delivery of *SU-30 MKI* Fighter to India.

At the end of the year 2000, a total of one hundred twenty five IAF *MiG-21 BIS* were being upgraded, which was carried out by Hindustan Aeronautics Ltd (HAL) in co-operation with Sokol

²⁵ V.P.Dutt, 'Indo-Russian Relations: An Overview,' in V.D. Chopra (ed.), op.cit, p. 35.

²⁶ "Military and Technical Cooperation," from *Embassy of Russian Federation in the Republic of India*, <http://www.india.mid.ru/india>

Nizhegorodsky Aviastroitelnyi Zavod Ao. The principle features of this are modernised avionics suite that includes the Phazotron kopyo multi-mode radar and the ability to utilise advanced air-to-air and air-to-ground ordance. Regular exchanges of visits by the chiefs of the army services have become a usual norm of relations in developing the defence co-operations between the two countries. The visits of the Russian President, Vladimir Putin in October 2000 brought several important developments in the defence-related co-operation, in particular the possible Indian leasing of a Russian *Akula II*-class nuclear submarine, an action that would upgrade the Indian Navy's capability and allow India to incorporate more sophisticated weapons systems into its indigenous submarine construction program. On October 4 2000, the visiting Russian President Vladimir Putin and the Indian leaders signed an agreement on the establishment of the Inter-Governmental Commission for Military-Technical Co-operation (IGCMTC).

President Vladimir Putin and Indian Prime Minister A.B.Vajpayee signed the 'Delhi Declaration' - which included their views on Iraq, Kashmir, and joint counter-terrorism initiatives - as well as seven other agreements on economic, technical, and scientific co-operation. The two sides agreed to improve non-defence related trade, which is currently only US \$1.5 billion - a miniscule 15 percent of Indo-US trade - and is partly comprised of the repayment track that helps India repay its debt from Soviet Union days. Perhaps the most important discussions were on defence procurement-related issues. India and Russia continue their

4-year effort to negotiate the status of the *Admiral Groshkov* aircraft carrier; the two sides have been unable to agree on a price to refit the carrier. The two sides reportedly are also negotiating Indian purchases or joint manufacturing of T-90 tanks, SU-30 fighter jets, and MiG 29K-air defence planes. Given the Indian Navy Chief, Admiral Madhvendra Singh's recent comments about India's need for sea-based nuclear arsenal, the most significant negotiations were on the potential Indian leasing of an *Akula II*- class nuclear submarine that reportedly can fire 300-km range 'nuclear capable' cruise missiles. With almost 75% of India's military hardware supplied by Russia, defence procurement is the center of the current bilateral relationship. Putin's reception in India is a reflection of long-standing alliance and continued warm ties between Moscow and New Delhi. However, both sides continue to try and redefine their relationship in the context of a post-Cold War environment.

Furthermore, Russia agreed to transfer to the Indian side of licenses and technology for manufacturing different types of armaments for all the army services as well as joint activities in R&D area, apart from the supply of the ready-made military hardware of the Russian origin. However, along with the development of the co-operation between the two countries, India's dependence on it has further increased (80 percent of the Indian military hardware were Russian origin). This factor deteriorated the development of the indigenous industry as well as production. Therefore, the chance of suffering Indian defence is very high if Russia stops supplying or giving licenses to

product in India. So, India has come to diversify its military co-operation's with other super power countries while maintaining relations with Russia.

4.5 Composition of the Trade:

The major Indian exports to Russia were tea, coffee, tobacco, drug and pharmaceutical products. Among these traditional items one of the important or the major ingredients was tea, which continues to be the major export-earning item. Other traditional items are ready-made garments, leather goods, and cosmetic and toiletries etc. With the change of time along with the needs of further widening the areas of trade between the two countries many new items were included into the Indian exports like electronic goods. During the years 1997-98 and 1998-99, there was rise in the export of tea from the previous years but it again collapsed in the years 1999-2000. Apart from the military hardware and spare part, the major imports from Russia include fertilizer, steel and iron newsprint, ferrous and non-ferrous metals, organic chemicals, etc. Fertilisers are the major item among imported goods from Russia with the 31 per cent during the years 1999-2000 and continue to be the single largest item till 2001.²⁷

²⁷ Dr. R.L. Varshney, and Dr. R.K. Wadhawa, 'Economic and Trade Relations between India and Russia,' in V.D. Chopra (ed.), *op.cit.*, p.106.

Table 4. Composition of Indian Exports to Russia: (US \$ million)

Commodity	1995-96	1996-97	1997-98	1998-99	1999-2000
Tea	142.69	75.0	198.49	198	160.23
Coffee	102.10	86	94	59.17	52
Rice (non basmati rice)	31.61	89.51	41.37	34	36
Tobacco	21.63	30.35	59.27	25.12	45
Spices	9	9.09	14.70	8.29	11.86
Castor oil	13.54	2	1.83	1	11.67
Leather goods	5.61	6	8.28	5.37	9.84
Cotton yarn, fabrics, made-ups etc.	35.52	61.78	76.61	51.23	68.27
Processed minerals	60.38	31.62	0.75	15.53	6
Drugs, pharma and fine chemicals	91	109	106.07	47.65	114
Plastic and linoleum products	28	32.82	30.80	12.64	24.24
Cosmetics and toiletries	35	19.09	20.26	7.86	7.84
Electronic goods	18.20	4.75	20.10	6	19

Source: Centre for Monitoring Indian Economy.

The bilateral trade between the two countries is based on payment in freely convertible currencies, also proving for arrangements such as barter, counter-trade, buy-back etc. Approximately 80% of the trade is on rupee repayment track. It seems that present level of trade is not commensurate with the true potential, even though the total trade turnover showed an upward trend during the year 1999-2000 when it grew by about 28.75 per cent. However, in this period of globalisation, it would be very important for both of the countries to diversify their trade ties with various countries while maintaining Indo-Russia Economic ties.

Table 5. Composition of the Imports from Russia: (US \$ Million)

Commodity	1995-96	1996-97	1997-98	1998-99	1999-2000
Fertilizer manufactured	168	29.52	77.17	149.44	191.16
Iron and Steel	131	77.17	157.42	65.16	63.27
Non-ferrous metals	179	164	136.17	55.57	59.52
Newsprints	85	74	82.26	61	50.26
Coal, coke and briquettes	-	-	-	5.71	41
Project goods	16	9.27	1.18	18.32	15
Gold and silver	17	3.06	1.22	35.28	9.56
Transport equipment	13	37.58	16.82	6	7.80
Inorganic chemicals	2	14.43	17.89	13.11	3.17
Cotton raw and waste	5	-	-	1.51	15.64
Synthetic and reclaimed rubber	4	4.83	8.10	12.41	16.18
Organic chemicals	46	29.19	34.73	19.19	15.24

Source: Centre for Monitoring Indian Economy.

CHAPTER - FIVE

CONCLUSION

Chapter -V

CONCLUSION

Indo-Russian political relations in the post-cold war international system developed on the basis of concurrence or proximity of their national interests. In both the countries, there exist a national consensus regarding the necessity and importance of further developing the interaction on the bilateral, regional and global levels. The post-cold war treaties between the two countries indicates that the prime factor behind the successful shaping of Indo-Russian political relations was the mutual understanding and proper appreciation of each other's policies. The foundation of the post-cold war relations between India and Russia was laid during the Russian President, Boris Yeltsin's visit to India in January 1993 and Indian Prime Minister, P.V.Narasimha Rao's Moscow visit in June-July 1994. But, the peak point of this relationship was the conclusion of the "Strategic Partnership," signed during the Russian President, Vladimir Putin's visit to India in 2000.

An analytical observation of the historical background of the Indo-Russian relations clearly indicated that the political ties between the two countries developed since 1950's, particularly after the death of the Josef Stalin. And it came along with the changes brought about in the country's third world policy. India and Russia enjoyed a closed strategic relationship in almost throughout the Cold War period. The peak point of this relationship was the conclusion of the Indo-Soviet

“Treaty of Peace, Friendship and Co-operation,” signed in 1971. Both in diplomatic and security spheres, each country had gained from the support rendered by the other. These developments or supports were not total or unconditional, but were dependent on the perception held by each side of its own interests. It was the friendly ties between these two countries that neither side had complained or doubted the generally friendly disposition of the other. It shows the high degree of maturity attained in Indo-Soviet political relations.

One of the important factors, which brought the political ties between the two countries closer, was the Soviet Union support to India in the vital issues like Kashmir, Goa and Indo-Pakistan war of 1971. The western attitude towards India on these issues was hostile in nature. They complicated the Kashmir issues under the garb of proposals like plebiscite, demilitarisation and UN assistance. On the other hand, Soviet Union strongly opposed the western initiation and supported India by recognising Kashmir as its integral part. Furthermore, the coincidence of their views on various international issues, e.g. Korean War, Middle East Crisis, Indo-China Problem, etc. had brought the two countries together. Additionally, through out the Soviet era, the country capitalised India’s status as a leader of the NAM (Non-aligned Movement) to bolster their policy in the third world countries, while India utilised the economic and military aids from Soviet Union to pursue its own regional goals; the most important of which was to check the hegemonic role of China and increasing influence of Pakistan in Kashmir.

The sudden breakup of the Soviet Union in the end of December 1991, and the subsequent conclusion of Cold War, and emergence of a unipolar world with US as the sole superpower reduced the Indo-Russian political relations to a low ebb. India recognised Russia as a successor state of former Soviet Union, while Russia diverted its foreign policy toward the developed countries of the west with the hope of economic assistance from them in its economic transformations under the Foreign Minister, Andrei Kozyrev and President, Boris Yeltsin in early 1990's. Furthermore, the uncertainty of the post cold war economic conditions deteriorated the resumption of the political ties between the two countries. Geo-politically, Russia had given importance towards Pakistan for some short period of time. However, this development did not undermine India's geo-strategic importance in Russian foreign policy in the post cold war international system. In Russia, many leading bureaucrats opposed the Kozyrev policy both within and outside the Duma, and endorsed the continuation of political relations with India. In fact, during this period Russia lost its hold in south and former socialist zones. India, on other side, significantly strengthens its role in the world arena by launching the policy of economic liberalisation and expanding foreign policy toward the South-east Asian countries through its '*look east policy*'.

Russia realized the geo-political significance and important role of India as a balancing force for Russian interest in Indian Ocean and South-east Asia-pacific regions. This development further coincided with Russia's growing disenchantment with the west. The conclusion of

Indo-Russian treaty of 1993 during Boris Yeltsin's visit to India confirmed the rapprochement of Indo-Russian political relations. Sensitivity to each other's security concerns has been an integral part of these developing relations between the two countries. The understanding between the two countries over each other's security concern with increasing threat from the NATO and emergence of Islamic fundamentalism brought the political ties more closer.

The political relation between the two countries was further consolidated by the unambiguous Russian support for settlement on the Kashmir issue according to the Indian version. In fact, Russia's Kashmir policy was influenced by its own political and ethnic problems like the secessionist movement in the Chechen Autonomous Republic. In 1993, Pakistan accused the Indian army for human right violations and raised the Kashmir issues at the conference of the UN Human Right Commission in Geneva. Both the countries lobbied other countries intensively for support. It was at this juncture that the Russian Ambassador, Anatoly Andrapov supported India and condemned Pakistan for the use of Hazratbal shrine, other than the purpose of worship. Another important development in Indo-Russian political relation was the signing of "Moscow Declaration" in 1994, which clearly show the increasing convergence of their interests. The relation between the two countries turned into a new dimension with the appointment of the Yevgney Primakov as the Foreign Minister of Russia in 1996. He made a change in its international relations with various states, which would guide the international system. Thus,

Moscow strengthened ties with China and India in particular. In addition, India's position in the Russian foreign policy priority list improved since the Primakov period (1996-99).

It was with Boris Yeltsin's visit, followed by P.V.Narasimha Rao's visit in 1994 and Russian-Indian Summit in Moscow in March in 1997 that brought the task of promoting the bilateral relations to the level of strategic partnership. The increasing pressure from the reality of globalisation in their post-cold war economic uncertainty and the resurgence of a trend towards a multipolar world pushed Russia and India to strengthen their political ties.

India was a natural and an objective friend of Russia. The convergence of their view on the vast majority of world problems further strengthened the political ties between the two countries in late 1990s. Both the countries were facing the same problems regarding the system of interactions with the Islamic fundamentalism in its various form e.g. cross border terrorism and separatist movement. These developments posed a serious threat to the pluralist society with multi-lingual, multi-ethnic and multi-religious characteristics of India and Russia. Both the countries frequently made discussions on the political developments in Afghanistan since Taliban came to the power. A special reference to this political development was given in their strategic partnership declaration, signed in 2000, by constituting a body, Joint Working Groups on Afghanistan, to look over the above matter.

It was the increasing consensus in both the countries that buttressed the political ties between the two countries. Although Russia

strongly criticised India's nuclear tests (Prokhran-II), conducted in May 1998, it refused to impose the sanction against India, which many countries did. In fact, to enhance the already developing bilateral relations, both the countries agreed to carry the business as usual despite their differences on the nuclear issue. Thus, India's nuclear tests (conducted on 11th and 13th May 1998) had no effect on the on-going development of the Indo-Russian political development.

Despite the post-Prokhran-II military and economic sanctions imposed by US, Russia signed an agreement with India on the sale of its advanced defence system to the latter. It was viewed as an important development from India's security points of view. In addition, Russian also supported the development of civil nuclear energy plants in India regardless of the western criticism. The construction of Kudankulam nuclear power plant in Tamil Nadu, and the proposed co-operation in the field of atomic energy showed the understanding between the two countries.

The continued support of Russia toward India's Kashmir issue as well as on its vital interest areas further brought the two countries together in the early 2000. In fact, Kashmir issue was one of the main meeting grounds between the two countries since the Soviet era. Russia continued to emphasise that the resolution of Kashmir issues could be obtained by peaceful methods on the basis of bilateral talks within the framework of the Shimla and Lahore agreements. The adoption of similar views by both the countries on the Kosovo crisis and on NATO's eastward expansion, despite their divergent views over the NPT and

CTBT, had shown the growing convergence of their interest in the international relations.

Neither India nor Russia perceived a threat from the strength of the other. In fact, each has an investment in the increased political and economic power of other. The absence of competition or suspicion characterised the developing Indo-Russian relations in late 1990's. Both India and Russia felt the necessity of expanding the members of the UN Security Council for its effectiveness and increasing role in various international problems. Russia supported India for permanent membership of the expanded UN Security Council.

The signing of the "Strategic Partnership" in 2000 during Russian President, Vladimir Putin's visit to India, saw another significant development in Indo-Russian political relations in post cold war international system. The political ties between the two countries transformed into a new phase of relations through annual summit meetings and regular exchanges between Foreign Ministries, Defense Ministries and National Security Council.

In 1998, the economic relations between India and Russia saw a recession due to the financial and banking crisis in Russia and the Asian crisis, but the relation soon resumed back by late 1999 and 2000. The increasing economic ties between the two countries had become an important means to strengthened political understandings. On 12 September 2000, an inter-governmental agreement on International North-South Corridor between India, Iran and the Russian Federation was signed in St. Petersburg. Thus, it would provide an

opportunity to their trade relations in near future. In it developing process both the countries shifted gradually from their traditional areas of economic interaction like power, steel, coal, and pharmaceuticals to areas like space, information technology, robotic and oil exploration. Meanwhile, regular exchanges of visits by the chiefs of the army services have become a usual norm of relations in developing the defence co-operations between the two countries. At the end of the year 2000, several Russian origin fighters like IAF *MiG-21 BIS* were being upgraded, which was carried out by Hindustan Aeronautics Ltd in co-operation with Sokol Nizhegorodsky Aviastroitelnyi Zavod Ao. Russia continues to account for almost 80 percent of India's defence hardware needs.

In sum, the political relation between India and Russia from 1991 to 2001 was characterised by continuity, mutual trust and understanding. The importance attached to this development cuts across party line in India and is not subject to political inconstancy and it resumes the political relations that existed between India and former Soviet Union. And the relation developed due to various factors, the most important being the realisation of each other geo-political importance in their common multi-polar worldview, which was further strengthened by the developing economic ties mainly defence trade between the two countries. This was reinforced by frequent exchange of state visits and convergence of their views towards various national and international issues including Kashmir problem in India and Chechnya in Russia and the emergence of Islamic fundamentalism.

APPENDIX

Chronology of the important events in the evolution of Indo-Russian Relations

a) 13 April 1947

Establishment of diplomatic relations between India and USSR.

b) August 1947.

Prime Minister of India, Jawaharlal Nehru, appoints his sister Mrs. Vijaya Lakshmi Pandit as first Ambassador of India in USSR.

c) 2 February 1955.

Agreement on the construction of Bhilai metallurgical factory. And the projects in the sphere of oil chemistry, energy and machinery etc. in Ankleshvar, Barauni, Ranchi, Bokaro, Tarapur and Hirakund followed.

d) August 1962.

The beginning of Military-technical Co-operation: India bought helicopter *Mi-4*, transport aircraft an IL, as well as fighter *Mig-21*. And the construction of plants on the production of spare parts in Nasik, Karaput and Hyderabad.

e) 1966-1967.

The beginning of the chief supplies of Indian Army (with tanks *T-54*, *AMS*, etc.) and Navy (with first submarine).

f) 9 August 1971.

Signing of the "Treaty of Peace, Friendship and Co-operation".

g) 6 March 1978.

Signing of the Protocol of Long-term economic program.

h) April 1984.

Squadron leader, Rakesh Sharma (the first Indian astronaut) participated in a space flight as a member of Joint Russian-Indian crew.

i) November 1986.

Signing of "Delhi Declaration" on Principles of Non-nuclear and Non-Violence world. And inauguration of the festival of India in Moscow and festival of USSR in New Delhi, and launch of the first India School in Moscow.

j) 1987.

Signing of the integrated long-term Program of Co-operation in the sphere of Science & technology (which was prolonged till 2010 during President Putin's visit to India in October, 2000).

k) 1988.

Agreement on the construction of atomic energy station in Kudankulam (Tamil Nadu).

l) 1989.

Reorganization of Inter-governmental Commission (which marked the end of Rupee trade from January 1993 and ushered in a new phase of convertible currency trade).

m) 25 December 1991.

Disintegration of USSR into 15 independence states.

n) 1991-1992.

Indian Prime Minister, P.V. Narasimha Rao launch the new economic reform and expanded its foreign policy toward South-East Asian through "look east policy". India recognised the Russian Federation as the successor state of former Soviet Union.

o) 1993.

Signing an agreement on Co-operation in the field of researches and exploitation of space with peaceful purposes. Significantly, India and Russia sign "Treaty of Friendship and Co-operation" as well as an agreement on regulation of payments according to state credits given to India by former Soviet Union.

Russia becomes India's partner under the Program of Economic & Technical Co-operation (ITEC). During the successive years 300 Russian specialists got training under TEC.

p) June-July 1994.

Signing of "Moscow Declaration" on protection of pluralistic states' interests. And declaration of Further Development and Intensification of Co-operation between the Republic of India and the Russian Federation.

q) December 1994.

Signing of long-term Program on Military and Technical Co-operation till 2000.

r) December 1995.

"Days of Russian Culture" in India.

s) September 1996.

"Days of India" in Russia.

t) September 1998.

Establishment of the “hot line” between New Delhi and Kremlin.

u) September 1998.

“Days of Moscow” in Delhi.

v) December 1998.

Signing of the long-term Program on Military-Technical Co-operation during Russian Prime Minister Primakov visit to India, which will be expire in 2010.

w) October 1999.

“Days of Delhi” in Moscow. Jawaharlal Nehru’s Cultural Center celebrated its 10th anniversary.

x) July 2000.

The first indigenous Indian supercomputer is installed in Russia under the Program of Scientific and Technical Co-operation.

y) October 2000.

Russian President Vladimir Putin Visited India and sign the declaration on “Strategic Partnership” and 16 others agreements. Creation of the Inter-Governmental Commission on Military-Technical Co-operation. 100 anniversary of the opening of Russian Consulate in Mumbai.

z) 10 February 2001.

India carries out its biggest investment ever made abroad – “ONGC-VIDESH” – “Rosneft” and sign the agreement “Sakhalin-1”.

aa) November 2001.

Indian Prime Minister, Atal Behari Vajpayee visited Moscow and sign the “Moscow Declaration” on international terrorism

BIBLIOGRAPHY

Primary sources

Centre for Monitoring Indian Economy

Economy Survey, Government of India

Economic Intelligent Unit, Report 1, (quarter 1997). London

Ministry of External Affairs, Government of India

Statistical Pocket Book India, 1985, (Indian Ministry of Planning, Central Statistical Office)

BBC Summary of World Broadcast (SWB).

Current Digest of the Post-Soviet Press. (Moscow).

Websites

<http://www.ceip.org>

<http://www.cns.miis.edu/research/india/russia.htm>

<http://www.expressindia.com/ie/daily>

<http://www.flonnet.com>

<http://www.india.mid.ru/india>

<http://www.saag.org>

<http://www.zeit.de/reden/weltpolitik>

Newspapers

The Hindu (New Delhi)

Times of India (New Delhi)

Statesman (Calcutta)

Hindustan Times (New Delhi)

The Pioneers (New Delhi)

Pravda (Moscow)

Secondary sources (Books)

- Andor, Laszlo, and Summers, Martin, *Market Failure: Eastern Europe's Economic Miracle*, London: Pluto Press 1998.
- Bakshi, Jyotsna, *Russia and India: From Ideology to geopolitics*. Delhi: Dev Publication 1999.
- Bowker, Mike, *Russian Foreign Policy and the End of the Cold War*. USA: Dartmouth Brookfield 1997.
- Chopra, V.D.(ed.), *Indo-Russian Relations: Prospects Problems and Russia Today*. Delhi: Kalpaz 2001.
- Chopra, V.D. (ed.), *Studies in Indo-Soviet Relation*, Delhi: Patriot 1986.
- Chenoy, Anuradha M., *The Making of New Russia*, New Delhi: Har-anand Publication 2001.
- _____, *The Russian Transition to Capitalism*, New Delhi: People's Publishing House 1998.
- Duncan, Peter J.S., *The Soviet Union and India*. London / New York: Routledge 1989.
- Datar, Asha L., *India's Economic Relations with the USSR and Eastern Europe 1953-1969*. New York: Cambridge 1972.
- Dutt, V.P., *India's Foreign Policy*, New Delhi: Vikas, 1985.
- Hope, Ted.(ed.), *Understanding of Russian Foreign Policy*. USA: The Pennsylvania State University Press 1999.
- Imam, Zafar, *New Russia: Disintegration and Crisis (1988-1994) A contemporary Chronicle*. New Delhi: ABC Publication 1995.
- _____, *Foreign Policy of Russia: 1991-2000*. New Delhi: New Horizon 2000.
- Kaushik, Devendra, *Soviet Relations with India and Pakistan*. Delhi: Vikas Publication 1971.

- Kanet, Roger E. (ed.), *The Soviet Union, Eastern Europe and the third World.*,
New York : Cambridge 1985.
- Kagarlitsky, Boris, *Russia Under Yeltsin and Putin*, London: Pluto press 2002.
- Mishra, Rajan Kumar, *India and International Relations*, New Delhi: Kanishka
Publication 1996.
- Menon, M.S.N., and Morozov, V.P., *Indo-Soviet Trade and Economic Ties*, New
Delhi: Allied, 1986.
- Medvedev, Roy, *Post-Soviet Russia: A Journey Through the Yeltsin Era*,
Translated and Edited by George Shriver, New York:
Columbia University Press 2000.
- Naik, J.A., *Soviet policy towards India: From Stalin to Brezhnev*. Delhi: Vikas
Publication 1970.
- Nayar, Balder Raj, and Paul, T.V., *India in the World Order: Searching for
Major-Power Status*. Cambridge University Press, 2003.
- Rasgotra, M. and Chopra, V.D., *India's Relations with Russia and China: A
new Phase*. New Delhi: Gyan Publication 1997.
- Singh, S.P., *Political Dimensions of India-USSR Relations*. New Delhi: Allied
1987
- Shearman, Peter.(ed.), *Russian Foreign Policy Since 1990' West view press*.
Boulder. San Francisco, Oxford 1995.
- Shams-ud-din (ed.), *India and Russia: Towards Strategic Partnership*. New
Delhi: Lancer 2001.
- Santosh, Mehrotra, *India and the Soviet Union Trade and Technology transfer*.
Delhi: Oxford University Press 1991
- Thakur, Ramesh and Thayer, Carlyles A., *Soviet Relation with India and
Vietnam*. London: Macmillan 1992
- Washentov, Gleb and Koltsov, Nikolai. *The Soviet-Indian Phenomenon*. New
Delhi: Allied 1989.

Articles:

Ashutosh, "India-Russia: Demise of Special Relationship," *Mainstream*, Vol. xxxi, No. 19, (March 1993), pp. 31-32.

Behera, Ashok Kumar, "Rao's Moscow Visit: In Search of a new beginning," *Link*, Vol.36, No.42, (May 1994), pp. 4-7.

Bakshi, Jyotsna, "Russia and South Asia," *World Focus*, Vol.21, No.10-11-12, (Oct. Nov-December 2000), pp. 55-58.

_____, "India in Russia's Strategic Thinking," *Strategic Analysis*, Vol. xxi, No. 10, (January 1998), pp. 1467-1485.

_____, "India-Russia Strategic Partnership: President Putin's Visit," *Strategic Analysis*, Vol.24, No.8, (November 2000), pp. 1539-44.

_____, "Russia's Post-Prokhran Dilemma," *Strategic Analysis*, Vol.xxii, No. 5, (August 1998), pp- 721-736.

Chenoy, Anuradha M., "Cordial Relations with Russia," *World Focus*, Vol.17, No.20-21, (Oct-Nov-Dec 1996), pp. 76-78.

Chakravartty, Sumit, "Foreign Policy- The Primakov Factor," *World Focus*, Vol. 18, No. 5, (May 1997), pp.9-12.

Chakravarti, Sudeep, and Dasgupta, Sunil, "Indo-Russia Relations: Looking Ahead, Finally," *India Today*, (July 1994), pp.42-47.

Cherian, Jhon, "India and Russia: The Primakov Visit," *Frontline*, Vol.16, No.1, (January 1999), pp. 52-53.

_____, "Climching the T-90 deal: New Indo-Russian arms Contracts mark a continuing Relationship," *Frontline*, Vol. 18, No. 5, (March 2001), p. 97-98.

Dutt, V.P., "Russia's " Strategic Partnership" with India, China," *World Focus*, Vol.18, No. 5, (May 1997), pp. 20-21.

- Ellman, Michael and Scharrenborg, "The Russian Economic Crisis," *Economic and Political weekly*, Vol. xxxiii, No. 52, (December 1998), pp.3317-3322.
- Gujral, I.K., "Friendly Bonds with India," *World Focus*, Vol.9, No.10-11-12, (Oct-Nov-Dec., 1988), pp.59-61.
- _____, "Putin Visit in Perspective," *Mainstream*, Vol. xxxviii, No. 43, (October 2000), p.6.
- _____, "Political, Economic Ties: Ever Widening Scope," *World Focus*, Vol. 8, No. 4, (April 1987), pp. 23-25.
- Gidadhubli, R.G., "Russia: Moving Towards Consolidation India-Russia Trade Relations," *Economic and Political Weekly*, Vol.xxxiii, No.3, (January 1998), pp. 91-92.
- _____, "Resolving Financial Crisis," *Economic and Political Weekly*, Vol. xxxiii, No. 28, (July 1998), pp. 1811-1814.
- _____, "Auctioning of Rupee Funds: New Issues in Indo-Russian Economic Relations," *Economic and Political Weekly*, Vol. xxix, No. 31, (July 1994), pp.1994-1996
- Gopalan, Sita, "The Yeltsin Visit and the Treaty," *Strategic Analysis*, Vol. xvi, No. 4, (July 1993), pp. 461-471.
- Horelick, Arnold L., "Soviet policy Dilemmas in Asia," *Asian Survey*, Vol.xvii, No.6, (June 1997), pp. 499-512.
- Harshe, Rajen, "India and Russia in a Changing World," *Economic and Political Weekly*, Vol.xxxiii, No. 9, (February 1998), pp. 457-460.
- Kapur, Harish., "The Soviet Union and Indo-Pakistani Relations," *International Studies*, Vol.8, No.1-2, (July 1966-April 1967), pp. 150-157.

- Kerr, David, "The New Eurasianism: The Rise of Geopolitics in Russia's Foreign Policy," *Europe-Asia Studies* (Formerly Soviet Studies), Vol.47, No.6, (September 1995), pp. 977-988.
- Kanwar, Sunil, "Rupee-Rouble Agreement: Was it a Sell-Out?," *Economic and Political Weekly*, Vol. xxviii, No. 11, (March 1993), pp. 431-432.
- Kumar, Dr. Rama Sampath, "Debt Repayment to Russia," *Third Concept*, Vol.8, No.91-92, (September-October 1994), pp. 17-18.
- Kadakin, Alexander M., "Indo-Russia Relations in the first quarter of the Twenty first Century," *USI Journal*, Vol.131, No.4, (Oct.-December 2001), pp. 475-486.
- _____, "Indo-Russian Relations," *Journal of Indian Ocean Studies*, Vol.9, No.2, (December 2001), pp. 368-380.
- Kutsonkov, Anatoly, "Putin's Impending Visit: Consolidating Russo-Indian Strategic Partnership," *Mainstream*, Vol. xxxviii, No.41, (September 2000), pp. 27-29.
- Kual, T.N., "Towards a new strategic partnership: India, China and Russia," *Himalayan and Central Asian Studies*, Vol.3, No.1, (January-March 1999), pp.53-62.
- Mahpatra, Chintamani, "India and the US: Evolving economic Ties," *Strategic Analysis*, Vol. xxi, No. 12, (March 1998), pp. 1751-1766.
- Mehrotra, O.N., "Gorbachev's Foreign Policy," *Strategic Analysis*, Vol.xii, No.1, (April 1987), pp. 1133-1141.
- _____, "Indo-Russian Relations After the Disintegration of the USSR," *Strategic Analysis*, Vol. xix, No.8, (November 1996), pp.1133-1142.

- Malcolm, Neil, "New Russian Foreign Policy," *World Today*, Vol.50, No. 2, (February 1994), pp.28-32.
- Maass, Citha D., "Reorientation of Indian Foreign Policy After the Cold War," *Aussen Politik*, Vol. 44, No. 2, 1993, pp.35-44.
- Malhotra, Jyoti, "Indo-Russian Relations," *World Focus*, Vol. 8, No.5, (May 1997), pp. 13-15.
- Park, Richard L., "India's Foreign Policy: 1964-1968," *Current History*, Vol.54, No.320, (April 1968), pp. 200-205.
- Putin, Vladimir, "We Support India's Initiative for a Collective Front to Fight Terrorism," *Mainstream*, Vol.xxxviii, No. 43, (October 2000), pp.7-9.
- Rana, Swadesh, "Indo-U.S. Relations: The Soviet Factor," *Strategic Analysis*, Vol.1, No.9, (December 1977), pp. 12-15.
- Rappai, M.V., "Sino-Russian Relations in the 21st Century," *World Focus*, Vol. 22, No.2, (February 2001), pp. 13-15.
- Rudnitsky, Artem, "Russia and India: In Search of a New Strategy," *World Affairs*, Vol.3, No.2, (April-June 1999), pp. 78-96.
- Subrahmanyam, K., "The Indo-Soviet Treaty," *world focus*, Vol.8, No. 7-8, (July-August 1987), pp. 3-5.
- Singh, Kuldep, "Indo-CIS Relations," *Link*, Vol.36, No.43, (June 1994), pp. 6-9.
- Singh, Anita Inder, "India's Relations with Russia and Central Asia," *International Affairs*, Vol.71 No.1 (January 1995), pp.69-81.
- Subramaniam, R.R., "India, USA and Russia in a Changing World order," *Strategic Analysis*, Vol.15, No.1.2, (March 1993), pp. 1239-1250.

- Simon, Gerhard, "Russia's Identity and International Politics," *Aussen Politik*, Vol. 48, No. 3, pp.245-256.
- Sapir, Jacques, "Russia's Crash of August 1998: Diagnosis and Prescription," *Post-Soviet Affairs*, Vol.15, (Spring1999), pp. 1-31.
- _____, "Indo-Russian Relations After the Disintegration of the USSR," *Strategic Analysis*, Vol.xix, No.8, (November 1996), p.1139.
- Sharan, Shankar, "Islamic Terrorism Threatens Russia," *World Focus*, Vol.20, No.1, (January 2000), pp.9-12.
- Sachdeva, Gulshan, "Reviving Economic Interests," *Frontline*, Vol.17, No.21, (October 2000).
- Unnikrishnan, Nandan, "India and Russia in the New Millennium," *World Focus*, Vol.22, No.2, (February 2001), pp. 16-17.
- Vaidyanath, R., "The Reaction of the Soviet Union and other Communist States," *International Studies*, Vol.v, (July 1963-April 1964), pp. 70-74.
- Vaidyanath, R., "Some Recent Trends in Soviet Policies Towards India and Pakistan," *International Studies*, Vol.viii, No.4, (July 1965-April 1966), pp. 429-447.
- Varma, Shanta Ngedungadi, "Russia and India: From Hiatus to Resurrection," *Strategic Analysis*, Vol. xviii, No. 4, (July 1995), pp.573-591.
- Vivekananda, B., "Afghanistan Invasion Viewed From India," *Asia Pacific Community*, No.9, (1980), pp. 63-82.
- Vavilov, V., "The Solid Foundation for Soviet-Indian Relations," *International Affairs*, No.9, pp.28-33.
- Wariavwalla, Bharat, "Indo-Soviet- Relations: Need for more Content," *Strategic Analysis*, Vol.1, No.6, (September 1977), pp.5-7.

_____, "Soviet Entry into Afghanistan: Strategic Perspectives," *Strategic Analysis*, Vol.xii, No.10, (January 1980), pp. 354-359.

Xia, Lin, "Indo-Russian Relations Enter a New Era," *Mainstream*, Vol.31, No.19, (March 1993), p. 33.

Yadav, R.S., "Russia's Kashmir Policy: A Study of Trends in the Post-Soviet Foreign Policy Outlook," *Strategic Analysis*, Vol. xviii, No.3, (June 1995), pp.433-444.

Journals and magazine:

Asian Survey (Berkley)

Aussen Politik (Hamburg)

Current History (Canada)

Economic and Political Weekly (New Delhi)

Europe-Asia Studies (Glasgow)

Frontline (Chennai)

Himalayan and Central Asian Studies (New Delhi)

International Affairs (London)

International Studies (Moscow)

International Studies (Bombay)

International Studies (New Delhi, JNU)

Link (New Delhi)

Post -Soviet Affairs (Columbia)

Strategic Analysis (New Delhi)

Strategic Digest (New Delhi)

Survival (London)

World Today (London)

World Focus (New Delhi)

World Affairs (New Delhi)