# INDIA'S FOREIGN POLICY IN THE POST-COLD WAR ERA

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#### **CERTIFICATE**

This is to certify that the dissertation entitled "INDIA'S FOREIGN POLICY IN THE POST-COLD WAR ERA" submitted by Biswaranjan Mallick in partial fulfilment of the requirements for the award of the degree of MASTER OF PHILOSOPHY, is his own work and has not been submitted previously for any other degree of this or other university.

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

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My Carents

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# <u>CHAPTER I</u> INTRODUCTION.

#### CHAPTER 1

#### INTRODUCTION

#### New World Order and India's Foreign Policy

International political scene has undergone tremendous change during the last few years. The cold war politics, which dominated international relations for four decades has come to an end. The defining principles of the international environment during all these years was imbuded with the great East-West power conflict. With the destruction of Berlin Wall in November 1989 and the final collapse of U.S.S.R the broad configuration of international forces that prevailed for so many years has suddenly ceased to exist.

The post-cold war world is witnessing an unprecedented restructuring of international relations in a fast changing environment. The end of ideological rivalry, which had sharpened conflict across the world, seemed to open the way for a new cooperative framework relationships, generating hope of building a better security environment.<sup>1</sup>

Undoubtedly, the end of cold war (and its harmful impact on international relations) has brought in a different world order – not

<sup>&</sup>lt;sup>1</sup> I.K. Gujral, "India's Foriegn Policy Today", in Nancy Jetly(ed), *India's Foreign Policy—Challenges and Prospects* (Vikas Publishing House Pvt. Ltd., New Delhi, 1999) pp. 3-10.

altogether a better or a wholesome one. Post-Cold War era has spawned a dichotomy within the international system. There is great deal of uncertainty in the emerging global situation. New conflicts are surfacing in some parts of the world while many old conflicts remain unresolved.

All history, said Toynbee, is challenges and response. One might say the same of the foreign policy of a nation. Like all else in nature, the international environment constantly changes imposing the need for adjustments in the domain of foreign policy. A regulated and measured response to the challenges a nation faces in the international arena is the hall mark of the success of its foreign policy. Our foreign policy, therefore rests, on two pillars: one, our national ethos and temper that is responsible for continuity in the midst of change. The other, the perception of national interest in the immediate context which may dictate changes of style, or emphasis in the midst of a continuum. The task of foreign policy is to strike a balance between these two.

#### **Present-day Challenges**

The fundamental shift in the international political economy and the strategic powers balances have vastly changed the circumstances in which India has to function. The challenges that the Indian policy makers face

<sup>&</sup>lt;sup>2</sup> Lakhan Mehloztica, "India's Foreign Policy Options in a Changing World", World Affairs, Vol.1, No.1, June 1992, pp. 19-23.

today are similar to what Jawaharlal Nehru faced in 1947 when the dawn of independence coincided with the beginning of the cold war.

Nehru succeeded in evolving a policy which gave Indian diplomatic space in which it was able to retain autonomy of decision as to pursue its national interests. Once again, India today faces a new world with its own risks and opportunities. The challenges is how to minimise the risks and make the best use of opportunities. For this to happen, the first step is to assess the emerging situation in a realistic manner.

There are certain other features of the international situation which are clearer and of a more enduring nature. India has to take note of these in formulating its policies. The first and the most important development of the post-cold-war world is the emergence of a coalition of major powers to maintain world order. The United States is the politically and military leader of the coalition; in economic matters its leadership has weakened to that of being first among several equals. The coalition members have no internal ideological differences; they are all function domestical within the same framework of liberal democracy and market-friendly economies.

Under the political aegis of the coalition, the emerging economic order is dominated by three regional economic blocs: North America (which includes Mexico), the European Economic Community, and the Asian Pacific Rim. The interrelationship between these emerging blocs will

determine the dynamics of the world economic system in the nineties. They will cover trades, financial flows and technological advanced and thus set the pace and pattern of new international economic relations. The basis of these new relationship will be a new type of multilateralism that will sustain the hegemony of the industrial world, but it will, at the sometime, offer scope of manoeuvre to the developing countries. The main characteristic of the emerging global economy can be described as "competitive interdependence." In these circumstances common sence and national interest demand that India should accept the world as it is and explore opportunities to strengthen its economy and gradually outgrow the league of minor players rather than isolate itself by harping on economic sovereignty.

India, under Narasimha Rao government appears, at last, to have arrived at a sensible level of pragmatism in foreign policy-after having traversed, for many years, a doctrinaire or idealistic stance. The most spectacular evidence for this new policy or stance is the decision to established diplomatic relation with Israel almost 40 years after reconginising it. At last, India has come to realise (the changed international context apart) that non-establishment of diplomatic relations

Bhabani Sen Gupta, "India in the Twenty-first Century", *International Affairs*, Vol. 73, No. 2, April 1997, pp. 40-51.

with Israel has not served India's foreign policy in West Asian affairs, and otherwise too.

India's recent policy of economic liberalisation and of integrating Indian economy with that of global economy is a new phase of pragmatism. The earlier Indian policy of self-reliance was not wrong; it ensured a fairly high level of industrialisation and economic well-being. However, it had tended, in recent years, to make for India's economic isolation from the rest of the world, and perhaps also preventing India from drawing upon the technological developments in the advanced states. Economic interdependence is a fact of life in present day global affairs; while India was perfectly conscious of this, it tended to follow(and made too much of the virtue of) a somewhat doctrinaire and self obsessed from of self-reliance.4 This new policy of integrating Indian economy with the global one has some obvious implications for India's foreign policy or relations - in particular, potential erosion of India's ability to take freely and independently political or economic decisions. One hopes the government would carefully monitor such potential dangers to India's policy of nonalignment-balancing the benefits of independence, sovereignty and equality among nations.

<sup>&</sup>lt;sup>4</sup> M.S. Rajan, *Recent Essays on India's Foreign Policy*, (Kalinga Publicatons) Delhi, 1997.pp. 3-19.

The end of cold war has regrettably not led to a concomitant emphasis on development co-operation. If anything, the developmental aspirations of developing countries are being given even less attention today. The new multilateral agenda consists of demands for action at the national level for democracy, political pluralism, human rights etc. We have a proud track record in all these areas. We would, however, like to ensure that the new multilateral agenda is not set at the expense of development co-operation. There is an urgent need to restore the centrality and criticality of development co-operation of the multilateral agenda.

#### Relations with USA, EEC, Japan, China

India's record in domestic and foreign policy since the launch of its economic liberalisation program and the end of the cold-war has been far from exemplary but not bereft of achievement. India has improved relations with the United States, although differences remain on issues of nuclear proliferation and ballistic missile development. India has however, dramatically improved its relations with China by tackling the long-standing border dispute, agreeing on a variety of confidence - and security - building measures and expanding crossborder trade. The visit of the Chinese premier Mr Li Peng, to India in December 1991 had led to further improvement in our relations. India is also keen to evolve a close relationship with the European Community as an economic as well as a

political entity to sub-serve mutual interest. Our ties with Japan have been traditionally friendly and our new economic policy provides countries like Japan, South Korea and Singapore as well other developed countries of the world fresh incentives for increased involvement in the process or India's development.

#### India's Foreign Policy and Non-alignment

The end of Cold War, as a goal for which the nonaligned movement had relentlessly struggled for three decades, marks the triumph of this hope. It also marks the triumph of the policy of non-alignment. The transformation of East-West relations has changed the context but not the relevance of non-alignment. There is no question but that the Policy/Movement of nonalignment continue to be relevant and valid in the post-Cold War era and this, despite many seemingly radical changes, including the end of bipolar world. While it is true that non-alignment arose at the end of the Second Cold War, when there came into existence a bipolar world and the Cold War, the policy was merely coincidental with that context and did not arise because of it. Hence, the end of these two international phenomena did not mean the end of continuing need for the policy. While the Cold War and bipolar world have disappeared, the

<sup>&</sup>lt;sup>5</sup> M.S. Rajan, *Nonalignment and the Nonaligned Movement in the Present World Order,* (Konark Publishers Pvt. Ltd.) Delhi, 1994, pp. 19-23.

capability of the Great Powers to exercise hegemony over the small/ weak nations, and the aspirations to do so, have not.

However, with the Super Power detente and the end of the Cold War, the non-aligned movement is facing an identity crisis: there is no country to be non-aligned with. This is reflected in the final declaration of Belgrade which recognises the need for the non-aligned movement to modernise the approach "in the face or fundamental changes on the international scene since the last summit at Harare." To keep the movement inspired by a sense of purpose, the emphasis has shifted from the East-West conflict to the New International Economic Order, underdevelopment, debt, money, finance and ecological issues.

The shift in emphaising not withstanding, the basic assumption of non-alignment still remains the same. These are" peace at home, peace with neighbours and the pursuit of peace in the rest of the world. Peace is desired for its own sake and because it is conducive to the economic growth of non-aligned countries individually and collectively. One basic principle of non-alignment also remains as valid today as it was when originally propounded by the three founding fathers, Nehru, Nasser and Tito: the essence of non-alignment is national independence.

The successive governments in India has rightly continued the policy of non-alignment and this despite widespread scepticism in India and

abroad about its relevance and validity in the present altered international context. This is probably the most basic source of pragmatism in India's role in world affairs - for it ensures India's continuing ability to take decisions on the merits of issues, without being pulled and pushed around by the Big Powers or group of States. This policy or attitude also ensures - as, in fact, it presently has - India's balanced relationship with the Great Powers, with no 'tilt' towards one or the other.

Indian Government, under the leadership of P.V. Narasimha Rao, has decided to follow the "Nehru line" in foreign policy and reaffairmed the continuing relevance of the Non-aligned Movement and the policy. In party politics, while the traditional national consensus on many foreign policy issues appears to have been broken, the old consensus on India's continued adherence to the policy of nonalignment seems to be as solid as ever. In this connection, it is good to read that India's External Affairs Ministers, Madhavsinh Solanki, made on January 16 at Cairo an admirable reaffirmation of India's stand in the policy and Nonaligned Movement to an August gathering.

Although the traditional foreign policy choice - imperialism, balance of power, alliances, nationalistic universalism, neutrality oor isolationism are no longer relevant or available for states, especially for countries like

World Focus, November-December 1991.

India (most other members of the NAM too). India has no choice, even in the present altered context of the international relations, by to lead the opposition to the hegemonism of any powerful state, which happens to be, at present, only the United States. It is against the "Super Powerism" of any state, which ever happens to be (or seeks to be) dominating the state system and against the potential multi-polarism of the world by the emergence of the EC, Germany, or Japan.

India also took some initiative which were seen as departure from the earlier practice of the policy of non-alignment, specially in adjustment of relations, viz., recognition of Israel, joint military exercise with the US, persistent efforts to enter in to ASEAN as a full time partner, stiff resistance to the US efforts to pressurise India to accept South Asia as a nuclear free zone, to sign NPT, to enter into MTCR and to accept CTBT, relations with China were normalised and fresh enroutes were made in trade relations with Central Asian countries, African and Latin American countries.

One significant, departure by India from the Nehru heritage is that we no longer play an active role - not as active as it once did- in world affairs. India was a major actor on the world stage in the 1950s, but no longer. It seems, now a days, we are either altogether silent on many current international issues or speak up only occasionally and in whispers

on them. The end of the Cold War has not at all rendered irrelevant nonalignment in world affairs. While officially and formally, we uphold this view we rarely and /or persistently maintain this policy even officially with the result that in news media, in party politics and intellectually, there is widespread scepticism which hardly reflects the official position. Indeed, many of them might well perceive(wrongly) that India is ambiguous in its stand. Even while India's priorities have (perhaps rightly) changed from the old pre occupation with political issues to the current economic development and cooperations, it is possible for India to play a distinctive role in the matter of world peace and peaceful settlement of disputes through multilateral fora as India once used to India should reorient its policy of non-alignment to 'active' or 'optimum' alignment so far economy is concerned focus should be on basic problems of humanity: disparities within and across countries, unemployment environment, preservation of biodiversity and social diversity, disarmament, general and complete, international terrorism, human rights, gender issue etc, and lay more emphasis on alternate world development agenda and pursuing it with all countries that are afflicted with problems of the present path of development. Non alignment is not a dogma but is only a policy which has gone under change even during Bi-polar era from equidistance to closer proximity and India should reorient it in order to meet option and choices

<sup>&</sup>lt;sup>7</sup> World Focus, November-December 1992.

open in an inter-connected net-work of nations which requires a pro-active alignment with the net work and not with a sub-set of Non-aligned nations.

#### India's Security Concern and Nuclear Issues

The immediate post Cold War years were marked by a fervent expectation for a new world order and for the so called "peace divided." While this did not really materialism, there was, nonetheless a general feeling of optimism and hope that the end of Cold War hostilities might lead to a global nuclear disarmament. But if anything, post-cold war nuclear doctrine has become even more irresponsible than was the case before. On the one hand, the great towers have declared that their relations are no longer hostile, that their missiles are no longer aimed at each other, and that the general level of animosity has been scaled down. But on the other hand, they continue to refine their military doctrines that would justify their retention of nuclear weapons.

Since Jawaharlal Nehru's days, India has been vociferous in its opposition to nuclear weapons (and other weapons of main destruction). At various international forums also India advocated the elimination and prohibition of the use of nuclear weapons. India also expressed concern over the proliferation of nuclear weapons and highlighted the danger of proliferation. But India has refused to sign the NPT because it does not eliminate weapons discriminates in favour of nuclear powers and does not

Ambassador, V.C. Trivedi, to the Eigteen Nations Disarmament Conference in Geneva in 1965-67, that the Treaty was not a non-proliferation treaty but a license to legitimise proliferation of nuclear weapons by five proliferations.

The nuclear debate within India has acquired momentum since the indefinite and an conditional extension of the nuclear Non - Proliferation Treaty (NPT) in 1995. In may 1995 when a global conference on extension of Nuclear Non Proliferation Treaty was held in New York and the general consensus was in favour of permanent extension of NPT, India refused to support the extension of NPT on account of its discriminatory nature because the treaty permitted only five countries the United States, the United Kingdom, Russia China and France, to legally, possess nuclear weapon capability.

India is now emphasizing practical steps to deal with the danger of nuclear weapons, without giving up its larger quest for their worldwide abolition. In its past diplomatic efforts at the U.N, India's sole emphasis was on purposeful negotiations to eliminate nuclear weapons in a time bound framework.

The great powers and their allies, of course, have never been in favour negotiations. India's emphasis on a time bound framework for

nuclear abolition became a convenient excuse for the five nuclear weapon powers - recognised by the NPT - to argue that it was demanding the impossible, and hence not really interested in any interim, meaningful arms control measures.

India is also one of the original sponsors of the Comprehensive Test Ban Treaty (CTBT) and the Fissile Material Cut off Treaty(FMCT). Even until 1993, India had been a sponsor of all United Nation's resolutions that demanded a CTBT and an FMCT. But in 1996 when the CTBT appeared imminent, it refused of accept the treaty and declared, in the words of the redoubtable Ambassador Arundhati Ghose, that India would not sign: not now, nor later." After the Pokhran II nuclear tests, India was offered to accept the CTBT conditionally.

The Indian stand on the CTBT and the FMCT during negotiations derives from its traditional nuclear diplomacy. Even since independence, India has tried to harmonise its security with disarmament. It has view nuclear weapons as instruments of power and coercion and argued that their anywhere in effect, threatens other's security. India therefore, has been demanding their complete elimination.

<sup>&</sup>lt;sup>8</sup> Statement by Arundahati Ghose, Ambassador and Permanent representatives to United Nations Offices in Geneva, and to the Conference on Disarmament, Geneva, 10 September 1996.

<sup>&</sup>lt;sup>9</sup> Manis, "India's Policy Towards the CTBT and the FMC", in Amitabh Matoo (ed), *India's Nuclear Deterent, Pokhran II and Beyond* (Har-Anand Publication Pvt. Ltd, New Delhi, 1999).

But India rejected the Treaty on three grounds.

First, the nuclear weapon states failed to give a commitment to elimination their nuclear weapons in a reasonable and negotiated finite span of time. India felt that in the absence of such a commitment, the Treaty would become an unequal treaty retaining the present discriminatory nuclear regime and sanctioning, in effect, the possession of nuclear weapons by some countries for their security, while ignoring the security concerns of other states.<sup>10</sup>

Second, the CTBT failed to effectively contribute nuclear non-proliferation in all aspects. It banned only explosive testing.<sup>11</sup>

Third, the Treaty included the EIF (Entry-into-force) clause: Article XIV. This made the Indian rectification of the Treaty essential for its implementation. This provision contradicted the fundamental forms of international law and was thus unacceptable to India.<sup>12</sup>

Some critics, believe that India needs nuclear weapons to fend off potential challenges from China and Pakistan. India's security concerns was driven by the China factor and Pakistan came in later. <sup>13</sup> One- third of India's land boarder (much of which is in dispute) is shared with China

<sup>&</sup>lt;sup>10</sup> Statement by Arundhati Ghose at U.N General Assembly 10 September 1999.

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

<sup>&</sup>lt;sup>13</sup> Hindustan Times, June 25 1998

which is outside South Asia. China factor will affect India's national security interests. The direct concerns will be due to the programmes of modernisation of Chinese military and strategic forces.

The indirect effects of the Chinese action, however, are likely to pose more serious challenges to India's security interest. In particular, the continuing Chinese assistance to Pakistan's nuclear and missile programmes will have a more immediate impact on our security. Infact, India's strategic and security concerns range over a much larger neighbourhood covering a vast area all the way from Central Asia down the Gulf through Burma, Thailand, China down to the straits of Malacca.

India carried out its first underground nuclear experiment for "peaceful purposes" in the Pokhran range of Rajastan desert in May 1974. For almost exactly twenty four years, the military aspects of India's nuclear policy and programme remained shrouded in a veil of ambiguity and opaqueness. There had been little reliable information available about the exact state of India's nuclear programme since 18 May 1974: the day India conducted its first nuclear test and termed it a peaceful nuclear explosion. On 11 May 1998, the veil was finally lifted. After conducting three underground tests of Pokhran, at 1545 hours, the government of India was unusually candid in its statements. It was declared officially:

"The people of India have a very credible nuclear deterrent." India conducted two more tests on 13 May, and shortly thereafter, Vajpayee was equally explicit." You will have noted that neither my statement of 11 May nor the longer official text released later that day has characterised the nuclear tests as "peaceful nuclear tests", he said. In addition, added even more forth rightly, "our intentions were are, and will always be peaceful but we do not want to cover out action with a veil of needless ambiguity. India is now a nuclear weapons state..."

There is one major strategic rationale for the construction of a credible and effective Indian nuclear weapon posture: to provide a hedge-an insurance policy - against the possibility of a belligerent China in an uncertain anarchic world. The nuclear test by India and Pakistan seem to have polarised much of the debate on the security of South Asia. One the one hand, nuclear non-proliferation fanatics and some peace activists consider the region to be "teetering on the brink of disaster" and even on the verge of nuclear conflict. On the other hand, a few deterrence enthusiasts believe that was is now no longer possible in South Asia and we can look forward to an era of perpetual peace.

In contrast to these views, it is argued here that nuclear weapons can became instruments of durable peace and sustained stability, but the

<sup>&</sup>lt;sup>14</sup> The Hindu, 12 May 1998.

possibility or war, particularly an accidental or unauthorised war, needs to be reduced. The intuitive nuclear deterrence that seems to prevail to day needs to be stabilised through a series of measures that can be operationalised most effectively within a co-operative framework.

India has ensured continuing 'good neighborly' policy with all countries, including Pakistan which suffers from some paranoia regarding India. With Bangladesh, we have reached and understanding regarding the sharing of the Ganga Waters. India also concluded Mahakali Treaty with Nepal. With Sri Lanka it had extended maximum co-operation to restore peace and stability in its northern and eastern provinces.

A major source of differences among the states of the Indian Sub-continent seem to be due to the fact that India is far bigger and stronger (economically and military) than the other six of its neighbours. Most of India's South Asian neighbours seem to be unduly obsessed with India's pre-eminence and power potentiality in the region, to the neglect of its positive elements. And this, despite India's pesistenly proclaimed policy of "good neighbourliness" and of respect for the independence, sovereignty and equality of other states.

The problem of disputed border with China and the Kashmir problem with Pakistan are, in essential, very different - the former is concerned with the formal delineation of the traditional border between India and

China, the latter involves the illegal occupation by Pakistan of about one third of the state of Jammu and Kashmir, an integral part of India. But there is certain common element between them namely, the basis and principles of settlement of the dispute.

In respect of both, India has taken in recent years, the position that the territorial disputes need to be settled only by peaceful means, and second, that they need to be settled in the interest and perceptive of establishing friendly and normal relations.

India has had a large number of problems with its neighbours. And so far as India is concerned, it needs to be always conscious of its positive international obligations towards its smaller and weaker neighbours, arising out of its predominant size and strength. Also, India needs to remember that as and where it seems to misuse its military and economic capabilities vis-a-vis its neighbours, it can not rule out the undue interest, involvement, of the extra-sub-continental states (to which it is opposed in principle).

India has completed Fifty Years at the United Nations. But it has so far not been able to grasp the significance of the UN system as an integral part of international politics. India does not yet know how to make effective use of instrumentality of the United Nations in the conduct of its foreign policy strategy. There are broadly two reasons: Unlike other major powers, India has, in some details, not followed a systematic pattern of

personal representation at the United Nations so essential to the task. It has also not set up the much-needed institutionalised mechanism so far the conduct of its foreign policy in general and through the United Nations in particular.

As a vetenan British UN diplomat, Lord Caradon, succinctly put it, those who ignore the reality of the United Nations as on integral part of international politics and fail to make use of the mechanism that the united Nations provides for the furtherance of their own interest and the larger interest of mankind, do so "to their own detrimen."

If, therefore, India wishes to make its contribution to the United Nations effective and give a worthy lead in international affairs, it should not only be needy to make use of the diplomatic instrument that the world body is but also understand it and acquire the necessary skill in handling it. It is high time India equipped itself with the necessary apparatus to play its rightful role. The current critical phase demands that it play a leading role.

As is common knowledge, the international community is standing today at the crossroads with the end of the Cold War, which had thwarted progress for decades in international co-operation, it could now make use of the United Nations to unravel regional and global issues and push towards constructive international co-operation in meeting humanity's social and economic needs. The alternative is for one power on group of

power to impose its own values on world view on the vast majority of nations which are at this stage is an extremely vulnerable state. This would undo all that the UN system has done so far.

India owes it to itself and the larger international community to play, in collaboration with other medium powers a leading role in preventing the United Nations from turning subservient to any power or group of powers.

To play this role India must first set its own house in order for greater political stability and a reliant, viable and self reliant economy. It is time it a acquired an appropriate institutional mechanism with which to pursue its foreign policy strategy in a well co-ordinated manner; it cannot continue to provide adhoc response to situation as they emerge. It should be well prepared to play a leading role, in collaboration with other developing countries and like mined states, in building up international political safeguards that would give the principles enthused in the UN Charter a fighting chance of success in meeting the challenge of money and military power.

India supports the view that the Security Council should be expanded and democratised further to respond to fresh challenges facing the UN. India's attitude in the matter was succinctly put by Prime Minister Shri Narasimha Rao at the Security Council Summit in January 1992 when he said: "As the composition of the General Assembly has trebled since its





longer. Wides representation in the Security Council is a must, it is to ensure it its moral sanction and political effectiveness." Obviously decisions of the Security Council will have a greater moral authority and effectiveness if it is more representative of the UN membership.

To sum up the basic principle of India's foreign policy one should but they need to be applied with case the vision to concentrate problems in the radically changing world situation. India has a role to play as a bridge of friendship and understanding between the East and the West and between North and South.

### CHAPTER II

INDIA AND IT'S NEIGHBOURS: THE POLICY AND PROBLEMS.

#### CHAPTER II

#### INDIA AND ITS NEIGHBOURS: THE POLICY AND PROBLEMS

The nature and extent of India's relations with its neighbours was largely determined by the fact of India's larger size compared to its South Asian neighbours; India comprises 72 percent of the Indian sub-continent in area and 77 percent of the population. And not only the physical size; India's larger military and economic strength and capabilities also constitute a critical factor in its relations with other neighbours. India has also land-boarders with Pakistan, Nepal, Bhutan, Bangladesh (and Burma too), and close maritime boarder with Sri Lanka and Maldives. India has also close historical religious, economic, ethnic and linguistic relationship with all the other states.

For one thing, it imposed on India and the other states too, friendship as a "geographical imperative". As in the case of any other part of the world, South Asia too have been affected by the global changes around the world, during the last few years. The end of cold war the erasing of the Soviet State, its splintering into 15 nation-states, the collapse of communism in Europe; the dismantling of the Warsaw Pact

<sup>&</sup>lt;sup>1</sup> This phrase was used by President Ershad of Bangladesh in a *Newsweek (New York) Interview* on December 7, 1986 in which he had said friendship with India was a "geographical imperative".

Organisation, the further economic and political integration of the European Union, the emergence of the North American Free Trade Area; the birth of the concept of the Asia Pacific Economic Community; the re-unification of Germany, the incurring of Japan towards all facets of acquiring world-power status; the economic resurgence and ideological calming of China after the Tienanmen holocaust; the gathering momentum of the Middle East peace process; have all combined to bring to its close one era in world history, facilitating due birth of a new era which is taking sometime before it can define itself with a greater clarity.

The close, complex and dovetailing with each other in the South Asian sub-continent naturally posed a many sided, constant, interaction between India and the other neighbours. For one thing, it imposed on India and the other states too, friendship as a "geographical imperative". In a sense, the neighbours' wavering attitude towards the "geographical imperative" is understandable. It is not always possible for them to make a distinction between the fact of India's size and strengthen on the one hand and India's intentions (and lack of them) to make its weight felt on these neighbours. Living in such close geopolitical nexus, the effect of each other's politics, action, even if unintended was unavoidable. This was also, and reciprocally, true of the impact of developments in the neighbouring countries of India - although not always are readily, acknowledge by the

former. For example, the infringement of human rights (and on influx of refugees into India), the establishment of a non - or undemocratic political system, the likelihood of offering of military facilities to external powers, and so on by the smaller neighbours - all these have had considerable impact on India's policies and attitude.

On its part India has tried to maintain cordial and close relations with these countries ever since independence. But India has found formidable difficulties in dealing, with these neighbouring countries and often they have been adopted hostile posture towards India, presumably at the instigation of certain foreign powers. Another factor which has greatly hampered development of cordial relations with neighbour countries has been the size, strength and population of India which has given rise to suspicions in the minds of other countries. In short India's efforts to develop friendly relations with her neighbours were greatly thwarted by internal and external pressure. India has insisted on solving all its problems with its neighbours through bilateral negotiations and not by internationalising them outside the region.

It is true that India did not show the same "generosity" towards its neighbours all the time on setting all the bilateral issues. India too had its national interest - no more, no less than those of its neighbours. It must be

<sup>&</sup>lt;sup>2</sup> M.S. Rajan, *Recent Essays on India's Foreign Policy* (Delhi : Kalinga Publications), 1997, pp. 131-149

noted that the nature of neighbours' attitude towards India played a significant role in shaping India's stand on these bilateral issues.

India's policy towards its neighbours was also dictated by India's considerations for stability, peace and order among the neighbours. Any disturbances among the latter (especially having security implications) would tend to distract Indian attention from its overwhelming preoccupation with internal political and economic progress.

Respect for the "sovereign equality" of all nations including close neighbours is a major determinant of India's foreign policy. Said Indira Gandhi in a speech at Kathmandu early in 1973: "The nations of our region can prosper only by treating one another as sovereign equals and by making possible efforts to convert distrust into trust." She reiterated on the occasion that "friendship does not mean a total identity of approach, friendship is a basic framework of regard, based on equality and trust, in which there is sympathy for each other's difficulties and which enables difference, should they rise, to be settled through discussion and negotiation."

Speaking in another occasion in Male (Maldives) Indira Gandhi observed: "we in India do not believe in big and small. We accept the

<sup>&</sup>lt;sup>3</sup> Foreign Affairs Record (FAR), (New Delhi: Ministry of External Affairs, Vol.9, 1972), p.60.

sovereignty of independent nations, and if we want to strengthen ourselves, it is not to make our power felt, but merely to enable us to stand on our own feet and to look after our own people." Likewise Vajpayee once told Pakistan's Agha Shahi - "While India happens to be a big country its approach is not of [a] big brother".

However, with the assumption of power by the United Front Government in June 1996 a fresh bid was made to improve relations with the neighbouring countries and remove the existing misgivings about India. For this purpose the new government put forth a new principle, which has come to be popularly designated as 'Gujral Doctrine'.

Since I.K. Gujral became the Foreign Minister under Prime Minister H.D. Deve Gowda for ten months, and then became Prime Minister himself, India has improved its relations with all the south Asian countries and is on the verge of taking a major turn in bilateral and multilateral ties in the region. Although, progress is still predicted by ifs and buts especially with regard to the most contentious issue of Kashmir and status inconsistency between India and Pakistan, the Gujral Doctrine cannot be viewed merely as a declaratory policy. The traditional fear of "India's big bullying tactics" has declined in someways in the present atmosphere

<sup>&</sup>lt;sup>4</sup> Ibid., Vol.21 (1975), pp.8-9.

<sup>&</sup>lt;sup>5</sup> *Ibid.*, 24 (1978), p.96.

<sup>&</sup>lt;sup>6</sup> The Hindu, 27 April, 1998.

generated by the Gujral Doctrine. On a larger scale, the present foreign policy moves notwithstanding differences of perceptions, could be a foundation stone on which India less bothered by neighbour, could aspire its due, to emerge at a major power in the early 21st century.

Based on Prime Minister I.K. Gujral the doctrine seems to contain the following:

(a) Acknowledging its great strength and large size, India will be accommodating and geneous towards her neighbours unilaterally to the maximum possible extent without demanding reciprocity. (b) India will react to both internal and external developments in its neighbourhood from a high moral ground. (c) India will not allow its territory to be used against the interest of any country of the region (d) India will not interfere in the internal affairs of other countries in the area, and would expect others to observe this principle as well. (e) India respects the territorial and national sovereignty of all the states of the region. (f) India is determined to settle all its disputes through peaceful bilateral negotiations.

Besides this, the doctrine stresses the free flow of information and people-to-people contacts among the South Asian neighbours. Mr. Gujral feels that the making of foreign policy decisions should not be confined to the Ministry of External Affairs, rather, there should be substantive inputs and contributions from academics, intellectuals, journalists and others. He

hopes that the good will generated will create a positive atmosphere and ultimately help to reduce tensions in the sub-continent. In his optimistic predictions he says: "if these principles of inter state relations are assiduously followed by other countries of the region as well, our relationship can be recasted in a friendly mould. This would provide the appropriate environment to useful exploit otherwise wasted resources, and to release the dormant and latent energies of the people of South Asia for their economic and social betterment."

A look at the contents of the idea advocated by Mr. Gujral suggests that a certain "asymmetry" in this country's relations with its smaller neighbours is inevitable. That India should not only be fair and just, but something more generous. With an eye on the critics, Gujral clarifies, "We do not demand reciprocity. I cannot demand reciprocity from those I do not consider as being as lucky as India".

Under the Gujral Doctrine India has made unilateral concessions to the neighbouring countries like Bangladesh, Sri Lanka, Nepal etc. with regard to trade and travel, without expecting any reciprocity. The Government has also tried to promote free trade among the member countries of SAARC and emphasised the need of converting SAARC into an economic union at the earliest. Another notable feature of the Gujral doctrine has been avoidance of outside intervention in the region. Thus

India turned down the offers of mediation made by USA, Britain and Iran in the Kashmir dispute.

The Gujral doctrine still in the formative stage though, promises to herald a new era of durable peace in South Asia, a region frequently marked by hostility and misperception. India's policy towards the neighbours has been based upon friendliness, equality, reciprocity and mutuality to the extent that is possible in the relations between the states so very different in geopolitical and capabilities terms.<sup>7</sup>

Despite India's ;comparatively large and strong defence forces they had no relevance to India's security relations with its neighbours, excepting Pakistan (and China outside the Indian sub-continent). India has consistently insisted on political solutions to all disputes with its neighbours. It is a noteworthy point, that India has not been given by its neighbours adequate credit for the repeated proclaimed percept and example that India has firmly stood by its neighbours' sovereignty, independence and territorial integrity. India has consistently been fair, if not generous, is not coveting the neighbour's territory, even conquered in war.

<sup>&</sup>lt;sup>7</sup> See also Y.B. Chavan's reiteration of this policy. *Ibid.*, Vol.21 (1975), p.139 and in another speech, *ibid.*, Vol.22 (1976), p.38.

The subject of Southern Asian Security environment cannot be divorced from the larger question of peace, development and security in the whole Asia-Pacific region, comprising communities in which live more than half of the mankind.<sup>8</sup> India has always had a vital interest in the independence and sovereignty of its neighbour - both for their sake and its own security, stability and well being anything adversely affecting their status was likely to affect India too.

India is accused by some in the South Asian countries of acting as the hegemon attempting to dominate the smaller neighbours. A close scrutiny of India's policies towards its South Asian neighbours does not bear out of the allegation. There have been problems and disputes between India and other South Asian countries and many have been resolved amicably, but some others have proved intractable and they continue to bedevil the bilateral relations between India and other countries. A look at some of these problems will point to the complexity of these problems, rather than any sinister design on the part of India.

### **Indo-Pak Relations**

Geographically, historically, culturally as well as economically no other two countries of the world have so much in common as India and Pakistan: Pakistan is India's closest but the most difficult neighbour. In fact

<sup>8</sup> World Focus, Nov-Dec. 1993.

the two constituted a single economic and political entity for many centuries before 1947 when Pakistan was born. Sine 1947 the relations between the two countries have been full of tensions, conflict and wars.

The reasons for this state of permanent hostility could be divided into three broad categories. The first arose out of the pre-partition controversies between the Indian National Congress and the All India Muslim League, the two nation theory and the demand for Pakistan. The rancour and acrimony left by that era has now been passed to the mindset of the leaders of the two countries and colours their vision while looking at one another. The passage of time has failed to wipe out the scare left by that phase of our sub-continent's history. The second category of reasons arose out of the way the partition of the subcontinent had evolved into one integrated economic and political unit. The division of such a country on an arbitrary basis could not have been accomplished without leaving imbalances and inequalities and grounds for complaints. The third categories of causes as are related to the original two and are their direct outcome. They led to conflicts and three wars.

The main factors which have contributed to the strained relations between the two countries are dispute over properties, borders, distribution of river waters, the question of Kashmir etc. With the

exception of Kashmir, the two countries have been able to resolve the various issues and arrive at a workable agreement through negotiations.

The most important issue which has continued to strain the relations between the two countries throughout the years is the Kashmir issue. Pakistan's case over Kashmir is much more of an ideological than a territorial disputes. Pakistan claims that since India was partitions on a communal basis, Kashmir being a Muslim majority state, should have gone to it. The Indian case has been that the people of Kashmir had not supported the Pakistan movement and had willingly linked their fate with a secular democratic India, which had been a popular decision. Pakistan's current clamour on Kashmir is an attempt to salvage the two-nation theory which had been buried in East Pakistan after it succeeded in forming the independent state of Bangladesh.

Over the last four decades, there has been a series of negotiations between the two countries over the Kashmir issue, but without success. India had a rare opportunity at Simla in 1972 when Pakistan had come to the negotiating table after the defeat and surrender of its armies in East Pakistan. India could have imposed a permanent solution to the Kashmir problem for ever. But India let the opportunity go.

<sup>&</sup>lt;sup>9</sup> Ashutosh Varshney, "Three Compromised Nationalism: Why Kashmir has been a problem", in Raju, G.C. Thomas (ed), *Perspectives on Kashmir: The Roots of conflict in South Asia* (Boulder Westview Press, 1992), pp.191-232.

<sup>10</sup> World Focus, Nov-Dec. 1994.

Pakistan has been arguing that Kashmir is the main hindrance to a solution to all other India-Pakistan problems. All the successive rulers of Pakistan have been claiming that once the Kashmir issue is resolved peace and friendship between the two neighbours would be established. Using this plea Pakistani rulers have frozen all economic, social and political relations with India. Many minor issues such as travel and transit, cultural relations, exchange of books, newspaper, etc., are almost blocked.

Rarely have political relations between the two South Asian neighbours been as bad as they were through 1994. Political hostility, intransigence, a virtual shut-out of any dialogue and repeated attempts to internationalise the Kashmir issue characterised bilateral relations in 1994. In a game of political upmanship, both sides appear to be wanting to score propaganda points with the international audience, rather than solve their outstanding problems through patient dialogue.

The return of power of Benazir Bhutto, in late 1993, portended both hope and despair for the general state of Indo-Pak relations. There was hope because it was generally felt that, while Benazir would be expressed to return to rhetoric on Kashmir, she would continue to keep channel of communication open with New Delhi. At the same time, her assumption to power revealed some despair, because like the last time around, she would

have to compromise with the Establishment over the Kashmir issue, not allowing her flexibility in opening a serious dialogue with India.

From the very start, however, it seemed explicit that Benazir had decided to have her strategy on Kashmir with the general line that the Establishment had been taking. In keeping with the hard-line stance of putting the resolution of Kashmir before normalising relations with New Delhi, Benazir adopted a very high profile internationally. In fact, through the years, she has been travelling outside Pakistan for at least 10 days every month or so. Whether it was visiting Bosnia in the company of Tansu Ciller, the Turkish Prime Minister or attending the International Conference on Population and Development in Cairo, on speaking to the captains of world industry in Devos, Switzerland, the common thread in her strategy was Kashmir. Very early on in her second term, she had made her intentions on internationalising Kashmir clear, by making a last minute move at the 48th session of the UN General Assembly in November 1993, to inscribe Kashmir on the human rights agenda. The move did no pay off, but it was generally regarded as an attempt to test the waters in the international lake.

Pakistan has been directly involved in supporting the insurgency in Kashmir. The involvement of Pakistan in proxy war against India is a major obstacle in the Indo-Pak relations. Of course, Pakistan's task has been

made easier by our own mistakes in Kashmir. Over the years, New Delhi has been unable to appreciate the growing depth of the alienation of the people of the state, because of corruption and heavy handed policies of the successive regimes in Srinagar.

The insurgency is the result of rapid political mobilisation and institutional decay. the growth of literacy, media exposure, and telecommunications produced a new generation of politically conscious and assertive Kashmirs. Unfortunately, New Delhi, perennially fearful of the loss of centralized power, misread Kashmir demands for greater autonomy and federalism as incipient secessionism and systematically tampered with the democratic process in the state. With all avenues of legitimate political dissent effectively blocked this politically assertive generation of Kashmiris turned to violence.<sup>11</sup>

What is more, Pakistan is violating the Simla Agreement of 1972, under which it agreed to settle all differences with India, including a final settlement of Kashmir, peacefully, bilaterally and without outside intervention. It also agreed to refrain from using force on the threat of force to alter the Line of Actual Control in Kashmir agree upon at that time. Pakistan continues to harp on the UN Security Council resolutions on Kashmir and demands a plebiscite (which was provided for under Part III of

<sup>&</sup>lt;sup>11</sup> Sumit Ganguly and Kanti Bajpai, "India and the Crisis in Kashmir", *Asian Survey*, Vol.XXIV, No.5, May 1994, pp.401-416.

the main UN resolution) without fulfilling Part II; which requires the removal of all regular and irregular Pakistani troops from the territory of Kashmir occupied by Pakistan (POK).

Kashmir is now routine passage of Kashmir militants across the LOC. Labeled anti-national elements by the Indians and widely regarded in India as no more than terrorist, the militants have long found refuge, arms and other forms of support on the Pakistani side of the LOC. The ranks of Kashmirs homegrown militants are being augmented, moreover, by fighters from Afghanistan, Pakistan, and other Muslim countries rallying to the cry of jihad in Kashmir. Citing intelligence estimates, India's premier newsmagazine, India Today, reported in September 1995 that at least 1,600 foreign Islamic militant had crossed the border into Kashmir during the summer of 1995 to fight on the side of the Kashmiri Muslim insurgents.

The Kashmir issue was dynamically linked to developments in Pakistan's domestic crisis. The ruling parties in Pakistan always used Kashmir problem as the best tactics to divert attention of their people, in the failure of their governance.

In improvement in relations between the two countries has been made more difficult by weak governments, a rapid change in Prime Ministers, domestic political polarisation and the growth of fundamentalism

and the inability to sustain economic development strategies because of the high costs of military expenditure.

Moreover, both governments have suffered from a weak decision-making political process in the realm of foreign policy, which has been constantly held hostage by political and religious extremists who have everything to gain from a continuation of tensions.

Pakistan appears to be on the horns of a dilemma in coming to grips with aspects of realpolitik pervading the post-Cold-War era of international relations and the new alignments which the phenomenon is bring in its trail. When one looks back into half-a-century of India-Pakistan relations there are both feeling of pessimism and optimism for the future. The former is the result of years of confrontation and the latter reflects the changing priorities and the imperative of co-operation in a changing world. The time has come to take stock of the present trends and future direction in India-Pakistan relations.

In February 1997 the new Prime Minster of Pakistan (Nawaz Sharif) expressed his desire to improve relations with India. India reciprocated promptly. As a result the Foreign Secretaries of two countries held a meeting in March 1997. At this meeting India emphasised the need of normalisation of economic relations, while Pakistan insisted on political normalisation and even tried to rope in the problem or Kashmir. As a

consequence nothing concrete emerged. The only positive out come of talk was that the two countries agreed to continue the dialogue at Islamabad. India took a positive step to improve relations with Pakistan by announcing certain unilateral concessions like easing of visa restriction of Pakistani nationals; waiving of visa fee for senior Pakistan citizens; increase in the number of religious Shrines which could be visited by Pakistani pilgrims in India. The two countries also agreed to expand cultural contacts by encouraging cultural groups, students, journalists etc. to visit each other's countries.

The relationship between the two countries could not be revolve around what Pakistan calls the "core" issue of Kashmir. This was not a "very helpful way" of approaching a relationship spelling out India's approach, the sources stated that when dealing with difficult and simple issues the easy ones were taken first. This way not to say that difficult issues would not be on the agenda.

There is, therefore, a case for a new approach and for evolving a strategy for engagement, with the objective of sorting out such problems as admits of solutions in the first instance. Now both the countries are nuclear powers, it is incumbent on them to invest their conduct with responsibility and maturity. Pakistan may have accepted the bilateral

<sup>&</sup>lt;sup>12</sup> The Hindu, 5 October, 1998.

dialogue but it continues to work for a third party role. Unless this quality is given up, it will be difficult to optimistic about the future.

## India and Nepal

India-Nepal relations have been formed and shaped by their geographical continuity and socio-cultural identities which has influenced their historical part. The historical linkages emanating from the racial, religious and linguistic affinities were possible because of the 1,750 km long open border which made communication earlier and possible. The crossing of border by the people has not only influenced each others history, culture and tradition but also had an impact on the political, economic and strategic relations between the two countries.

The geo-strategic location of Nepal between India and China has also shaped its relations with its neighbour. The open border between India and Nepal had created ideological and political linkages between the two countries much to the chagrin of the monarch. For instance, the Nepali National Congress, a protagonist of democracy and a socialist society, had links with the Indian National Congress even before the independence of India.

In the context of Nepal, a significant development was the restoration of parliamentary democracy in the beginning of 1990's. To a considerable extent the change in the domestic politics of Nepal was

encouraged by changes taking place at the global as well as regional levels. The democratisation of the Nepalese politics has, indeed, given a new shape and direction to the political dynamics of the country. It has great significance for Indo-Nepalese relations which had reached the stage of a crisis just before that Nepal's policy of playing one neighbourhood against another and an attitude of unwarranted assertion and antagonism with India came to an end with the collapse of the Panchayat regime. <sup>13</sup> These developments in the domestic politics of Nepal also encouraged India to recast its diplomatic style and rearrange the priorities of its policy towards Nepal.

Nepal's geographical situation, particularly its landlocked position, has resulted in her extensive economic relationship with India. Not only that Nepal is dependent on India for transit facilities for her trade with over seas countries but it also imports most of the essential commodities from India. India's economic policies and programmes have a direct bearing for the Nepalese economy.

The multi-party democracy in Nepal infused new hopes of normalising relations between the two countries who had become aware of the post-cold war world order where emphasis war laid on economic

<sup>&</sup>lt;sup>13</sup> S.D. Muni, *India and Nepal: A Changing Relationship*, (New Delhi: Konark Publishers, 1995).

relations.<sup>14</sup> The first requirement to forge closer ties was by normalising trade relations which had nose-dived following the expiry of the treaty of trade and transit in 1989 and the subsequent closure of the boarder except for two points at Raxaul and Jogbani.

During K.P. Bhattorai's visit to India in 1989, the trade relations with India resumed. The trade embargo was removed and the bilateral relations were restored to the situation prevailing on April 1, 1987.

Emphasis was given on developing economic relations between the two countries with areas identified for joint cooperation. The Joint Communique signed on the occasion declared that the countries would cooperate on "Industrial and human resource development, for harnessing of waters of the common rivers for the benefit of two peoples and for the protection and management of the environment." <sup>15</sup>

India agreed to improve and simplify the rules for export of goods from Nepal during Prime Minister P.V. Narasimha Rao's visit to Nepal in October 1992. Nepal's private vehicles were allowed to move from its border to Calcutta and Haldia ports and back provided the vehicles were authorised by the Nepal Transit and Warehousing Company Ltd or Nepal

<sup>&</sup>lt;sup>14</sup> B.C. Upreti, Changing Nature and Priorities of India's Foreign Policy vis-a-vis the India-Nepal Relations, in Kalim Bhahdur, Mahendra P. Lama (ed.), New Perspectives on India-Nepal Relations, (New Delhi: Har-Anand Publication, 1995), pp. 139-161.

Refer the Joint Communique signed during Prime Minister K. P. Bhattarai's visit to India from July 8 to 10, in Rising Nepal, June 11, 1990.

Transport Corporation. Movement of vehicles from Nepal to Nepal via Indian territory was allowed without any bond of cash deposit. Nepal was allowed to import goods form India in convertible currency.<sup>16</sup>

Taking the discussion further on cooperation in harnessing of water resources, both the sides agreed on a time-frame for investigations, preparation of project reports on Karnali, Pancheswar, Sapta-Kosi, Budhi Gandaki kamala and Bagmati projects.

In November 1994 with the formation of the first Communist Government in Nepal doubts were expressed in certain quarters that the relation between two countries would suffer a set back on account of the know stand of the Communist Party of Nepal on the 1950 Treaty of Peace and Friendship. But these doubts proved ill founded. In a press conference Prime Minister Man Mohan Adhikari said, "I would like to review all aspects of relations as well as changes in the trade and transit agreements with India. This is in view of the changes taking place in international relations as well as South Asia." He assured India that the Nepalese territory would not be used for anti-India activities. To keep a vigil on the cross-border movement, a technical committee was set up to discuss the issues.

<sup>&</sup>lt;sup>16</sup> Refer the Join Communique signed during the Indian Prime Minister P.V. Narasimha Rao's visit to Nepal, by the Foreign Secretary of India, J.N. Dixit and Narendra Bikram Shahi, Foreign Secretary of Nepal, His Majesty's Government of Nepal, October 21, 1992, Kathmandu.

In February 1996 the Prime Minister of Nepal (Sher Bahadur Deuba) paid a visit to India and signed a treaty on the Integrated Development of the Mahakali Basin which included construction of the Panchewshwar Power Project. The two countries agreed to share water and electricity of other projects on Mahakali river. Further, under the treaty India agreed to give to Nepal an additional 50 million units of power and an additional 150 cusecs of water from Tanakpur Project. Another agreement was signed on the construction of 22 bridges on the Kohalpur-Mahakali sector of the east-west highway.

There has been an element of "mutual benefit" and "non-reciprocity" in India's relations with Nepal as envisaged in the Mahakali Treaty. India and Nepal relations hitherto defined interms of geo-politics had to accord primacy to economic- co-operation in the light of changing global economic environment. The main thrust of the economic cooperation has been on four areas: trade and transit relations, sharing of water resources, India aided projects and joint ventures.

One of the important issue which needed special attention of the two countries was the use of the open borders by subversive elements against Indian security interests. The border between India and Nepal is open and the flow of people is allowed without any restriction. However, it is alleged that citizens of other countries also enter Nepal to avail the

opportunities under the guise of Indians. Since the border is open it becomes difficult to check the flow of movement of population and to ascertain whether they are from India or some other South Asian country.

The open border has been misused by the criminals, smugglers and terrorists who take refuge in Nepal after committing crimes in India or viceversa. Arms and drugs have also been moving from Nepal to India. The open border is used by the Inter-Services Intelligence (ISI) of Pakistan to facilitate movement of the Kashmiri terrorists to carry out anti-Indian activities. The India and Nepal cannot ignore the geo-political realities. They should cautious of the emerging threat of trans-border movement of criminals and subversive elements.

India-Nepal relations have been responding to the changes taking place in the international arena in the post-Cold War era. The simultaneous political changes taking place in both the countries are also instrumental in shaping their relations. The governments in India have realised the basic thrust in the changing global environment where it has to develop relations with its neighbours based on trust and confidence and non-reciprocity which is an essential element in defining relations between asymmetrical nations. The change in the India policy from the India Doctrine to the Gujral Doctrine has been positively received by Nepal which has also been making changes in its foreign policy postulates.

## India and Bangladesh

India's relations with Bangladesh have been quite intimate. Infact, India played a leading role in the creation of the state of Bangladesh. It rendered full support to the Mukti Bahini, the liberation army of East Bengal; in its fight against the oppressive rule of the Pakistan rulers and contributed towards the emergence of independent Bangladesh. India was also one of the first countries to accord recognition to the new state, and established diplomatic and trade relations with it.

In the social, cultural and economic fields the two countries tried to strengthen their bonds and concluded a number of agreements. Similarly in the field of science and technology the two countries agreed to cooperate. The two countries also amicably settled certain border issues. This era of cordial relations between the two countries came to an end with the overthrow of Seikh Mujibar Rahaman. Though the subsequent leaders indicated their desire to develop friendly relations with India but certain differences marred these cordial relations.

The main issue which contributed to new tensions in relations between India and Bangladesh, include, clashes over borders, problem of the sharing of the waters of the Ganga, dispute over Moore Island, plight of minorities in Bangladesh and flow of migrants across border.<sup>17</sup> Certain

<sup>&</sup>lt;sup>17</sup> Shyamali Ghosh, "Political Dynamics In Bangladesh: Relations Between Bangladesh and India", *International Studies*, Vol.32, No.3, July-Sept. 1995, pp.237-217.

border incidents continued to mar the relations between the two countries in Garo Hill area.

The highly porous international border is open to smuggling. It has been estimated that smuggling from India into Bangladesh amounts to a drain of 300 million dollars annually, further widening adverse trade gap. As far India, its major concerns are the easy movement of migrants from Bangladesh and the smuggling of arms and drugs and the toing and froing of dissident armed groups. This not only leads to frequent clashes on the border but also contributes to instability in the border region of eastern India and in the whole of country. The presence of Chakma refugees from Bangladesh also caused tension in their relations.

United Front Government initiated a policy of unilateralism and extended several trade and other concession to Bangladesh. In December 1996 the Prime Ministers of two countries signed a 30 year water sharing treaty to resolve their long standing dispute over the matter. The treaty contained provision for review every five years on earlier.

The two countries also agreed to co-operate in dealing with problem of insurgency and militancy. They pledged not to permit their territory to be used against each other. yet another which contributed to improve of relations between India and Bangladesh was conclusion of an agreement

by the Bangladesh government and the Chakma refugees leaders which paved the way for the return of Chakma refugees to Bangladesh. This is likely to reduce social and political tension in the north-eastern states of India, specially Tripura. This would also provide some financial relief to India by reducing the burden on the maintenance of the refugees in India. By and large the two countries showed spirit of complete accommodation towards each other and their relations continued to be peaceful and cordial.

### India and Sri Lanka

Sri Lanka is located off the coast of South East India. The country has very close cultural links with India. In the political sphere India and Sri Lanka have maintained very cordial relations from the beginning. Two countries have also maintained close cooperation in the economic field. Both are members of the non-aligned movement and share identical views on most of the international problems. The only irritant in the relations between India and Sri Lanka is the problem of the people of Indian origin in Sri Lanka. This problem has existed right from the time Sri Lanka gained independence in 1949.

India-Sri Lanka relations have also been influenced by the legacy of colonial rule. The two countries have been able to resolve, through patient negotiations, the complex case of the stateless Indians who had gone to

Sri Lanka during British rule to work in the tea gardens of that country. The ongoing Tamil insurgence of Eelam (freedom) had also at one time threatened to jeopardise relations between the two countries. Sri Lankans had some reason to suspect Indian intentions, because Tamil insurgent groups had been receiving shelter and support in the Indian state of Tamil Nadu, which has been ruled by the Tamil regional parties, the DMK or AIADMAK. At one time, India also attempted to bring about some agreement between the Sri Lanka Government and the Tamil insurgent group, LTTE led by Prabhakaran. The Indian policy has been to support the territorial integrity and sovereignty or Sri Lanka and that had been the objective of the India-Sri Lanka Accord and the Indian Peace Keeping Force.<sup>18</sup>

The crippling ethnic conflict between the Sinhalese majority and the Tamil minority in the island state had not only brought the Indian factor to the forefront but also put intolerable strains on the carefully nurtured harmonious framework of bilateral relations between the two countries. Sri Lanka's perception of the overbearing image of a huge and powerful India underscores its deeply felt compulsion for the assertion of its national security.

<sup>&</sup>lt;sup>18</sup> K.M. De Silva, "Regional Powers and Small State Security: India and Sri Lanka", (New Delhi: Vikas Publishing House, 1995), pp.30-45.

In January 1991 the two countries reached on agreement that the final solution to the vexed ethnic problem of Sri Lanka could be solved only through political settlement. The two countries also agreed to upgrade the existing joint trade committees. Sri Lanka on its part agreed to accept 200,000 Sri Lanka refugees camping in Tamil Nadu. On its part India assured Sri Lanka that she would not be party to any political disintegration of Sri Lanka and would not allow its territory to be used as base for terrorist activities against the Island Republic. This stand of India greatly contributed to earning of tension between two countries.

The visit of President Chandrika Kumaratunga of Sri Lanka to India in 1995, helped in re-establishing friendly and mutually beneficial ties between the two countries. During her visit to India she proposed a free trade and investment agreement to boost the economic co-operation between the tow countries. Both countries continued the dialogue on problems faced by the fishermen of the two countries. It was, agreed that these problems should be addressed in a spirit of compassion and understanding.

### India and Bhutan

India has always been a dominant and influential power in the politics of South Asia because of its central position in the sub-continent.

Indo-Bhutan relations have always been exceptionally good. Soon after

independence, India concluded a Treaty of Friendship with Bhutan in 1949 where by the latter agreed to be guided in its foreign relations by New Delhi. Bhutan came closer to India after the suppression of Tibetan Revolt by China in 1959 and Sino-India conflict of 1962.

In the economic sector India's relations with Bhutan have taken from the very beginning the donor-recipient shape. Being the donor country India has got the opportunity of influencing the behaviour of Bhutan in her favour. <sup>19</sup> Bhutan occupies an important position in the security framework of India. But what is a matter of concern for India is Bhutan's tendency to by pass India by increasing dependence more and more on extra-regional powers such as China and the United States. China also has some definite interests in the Himalayan Kingdoms of Bhutan and Nepal. It has established direct links with Bhutan on the basis of sovereign equality with a view to settle border dispute. In this process China rejects India's claim to special relations with Bhutan and Nepal. This undoubtedly causes concern for India's security and integrity.

## India and Myanmar (Burma)

Burma form the very beginning tried to maintain friendly relations with India as well as China. Burma tried to keep off from the super power blocs and pursued policy of non-alignment and cooperate with India on

<sup>&</sup>lt;sup>19</sup> Asis Kumar Basu, "Indo-Bhutan Relations: Search Gore a New Look", Politics India, vol. II, no. 10, April 1998, pp. 38-39.

various issues. However, the relations between the two could not develop along friendly lines and were greatly strained on account of the maltreatment of India's settled in Burma. There was also differences between the two regarding the delimitation of the maritime boundary in the Bay of Bengal. However, as a result of negotiations an agreement was reached between the two countries in December 1986. According to the agreement the maritime boundary in the Bay of Bengal lies in the vicinity of the Andaman Sea to through the Coco Channel. The agreement was duly ratified by the two countries and on 13 September, 1987 they exchanged Instruments of Ratification of the Indo-Burma Agreement. Relations between India and Burma remained quite Cold during the next years. The military junta openly accused India of adding the funding Daw Aung San Suu Kyi's movement for restoration of democracy.

The relations between the two countries suffered a set back follow conferment of Nehru Award on Aung San Suu Kyi in May 1995. However, in subsequent month India tried to repair relations with Burma. In March 1996, India's Minister of External Affairs (Pranab Mukherjee) announced that India was committed to a policy of non-interference in the internal affairs of another country and that India considered the pro-democracy

<sup>&</sup>lt;sup>20</sup> I.P. Singh, "India and Myanman: An Ogonising Relationship, World Affairs, June 1996, pp. 60-62.

movement in Myanmar an internal affairs. India tried to avoid policy of confrontation towards Myanmar on account of security considerations.

However, India had maintained a stable, cooperative relationship with Myanmar. Continuous dialogue was maintained with the Government of Mayanmar in areas of vital interest. Historic Cultural links were strengthened through the visit of the Deputy Minister for Religious Affairs of Myanmar to India and his participation in the foundation-laying ceremony of the Grand Vipasana Pagoda on 26 October 1997 at Mumbai.

India has a larger number of problems with its neighbours; some of which have been referred to earlier. With regard to Pakistan, India's bilateral problems included those arising out of the partition, on territorial adjustments, division of immovable properties, sharing of waters of common rivers and so on. In the case of other neighbours, there have been problems of citizenship rights to emigrants (with Sri Lanka), territorial adjustments and demarcation of boundaries (with Bangladesh and Sri Lanka), Sharing of Ganga Water (with Bangladesh), trade and transit (with Nepal) and fencing of borders to prevent illegal immigration (with Bangladesh).

In recent years, India has insisted on political solution through bilateral negotiations on the basis of equality and mutually benefit i.e, without needlessly complicating them by internationalizing in a multilateral forum, or inviting third party intervention. India not only tried to maintain cordial relations with its neighbour, but also their development. Besides economic contribution, India embarked on various infrastructure development activities covering modernisation of administrative machinery, and undertook rood projects and general development schemes for education, health, agriculture, industry, forest, wild life and power generation.

One must remember that following the end of the cold war the strategic relations between India and its neighbouring countries as well as extra-regional powers have changed to a large extent. What is needed on the part of India is to give a new look to its policy towards neighbours.

# CHAPTER III

INDIA AND THE MAJOR POWERS.

#### CHAPTER III

## INDIA AND THE MAJOR POWERS

# India's Relations With U.S.A, Russia And China

The collapse of the Soviet Union simultaneously destroyed the cornerstone of India's defence and foreign policy and removed a perennial irritant in Indo- US relations. For the last three decades of the Cold War years, India was widely suspected by the Western nations, led by the United States of being Pro-Soviet Union, if not also being anti-west'; this suspicion was both wrong and unfair-no doubt because of the raging Cold War in the then, bipolar world. India was merely being genuinely non-aligned in the Cold War. Also, India was, or appeared to be, friendlier towards the Soviet Union (and other socialists states too) - only because these nations were more helpful than the Western bloc countries to India.

With the end of the Cold War, the break-up of the Soviet Union (and the emergence of new Russia and other CIS states), India's external relations have had many-sided changes.

## **Indo-US Relations**

To put the relations between India and the United States in perspective, it is no longer necessary to go over the four-decade-long

estrangement between the world's most populous and most powerful democracies. This divergence, often sharp but never so sharp as to drive the relationship to the breaking point, is a thing of the past. Its principal cause the Cold War is over. The Soviet Union, a pillar of support to this country, politically and strategically, has vanished in to history. Consequently, the Indo-US relationship - good, bad or indifferent has become the most important in the entire web of our relations with the outside world. To say this is not to suggest that the disappearance of the bipolar dispensation has yielded place to a unipolar world, as was mistakenly believed by many America's immediately after the Gulf War. It may not be a multipolar world just yet but is surely a polycentric one. Even so America remains unquestionably the mightiest military power and has the world's largest economy in a day and age when globalisation has become the almost universal economic creed.

Relations between the world's two largest democracies have been both intriguing as well as complex. In the context of India-United States relations, much remains to be understood about the different sources of conflict in their relations and how they have interacted over different periods of time and in divergent policy - making contexts. The nature and context of relations between New Delhi and Washington have been an

M.J. Vinod, "India-United States Relations in a Changing World: Challenges and Opportunities", Strategic Analysis, Vol.XX, No.3, June 1997, p.439.

enigma and a paradox over the last five decades. India's relations with the US have always been a roller coasters. A former India Ambassador to the US termed the relations as "a pattern of misunderstanding, miscalculations and missed opportunities." Dennis Kux has called has called India and the US "Estranged Democracies."

In spite of the accumulated and persistent discomfort between India and the US, relations have never broken down completely, and the apostles of harmony have repeatedly had to discover grounds for hope. When the Cold War came to an end, there were many reason to look ahead with hope. There is an end of the Soviet occupation of Afghanistan and the consequent eclipse of Pakistan's strategic importance to the US.

In the changed international scenario, both Indian and the United States need one another for many reasons.<sup>2</sup> But is equally true that India needs America more than America needs India. Trade with and investments from the US, combined with US support to India in the World Bank and the IMF, are very important to the success of Indian economic reforms. American policies in the region can affect Indian security and supreme interests one way or the other. The situation in Kashmir, Pakistan's proxy war in the valley and its relentless attempts to

<sup>&</sup>lt;sup>2</sup> World Focus, June 1996, pp.15 to 18.

internationalise the Kashmir issue add to Indian vulnerabilities to powerful external pressure.

At the sametime, there are important goals shared by India and America. These include the security of the Gulf oil supplier, prevention of leakage of nuclear material, containment of the spread of Islamic fundamentalism, promoting of nuclear and missile non-proliferation, combating drug trafficking and so on. In all these fields, cooperation between India and the US would be beneficial to both sides. Above all, the primacy of economics in international relations lends to India's vast and the growing market, with 200 million Indians having the purchasing power of the Italians, an attraction that would have been unthinkable even a few years ago.

In the new multipolar international order, India sees itself as a major actor. India like China is so vast that it constitutes a region by itself. The regional and global of the countries in the South Asian region and that of the outside actors would be significant in this context. The average American has tended to consider the region as inflicted with poverty, squalor, over-population, ethnic and religious conflict and natural disasters. The truth is that South Asia is vital to America both in terms of long and short term opportunities.

From an Indian perspective, the main reason why Indo-US relations took the trajectory was because of Pakistan's military alliance with the us in 1954 and 1959, massively boosted in the 1980s, compounded the security threat to India from attacks in Jammu and Kashmir as well as Pakistan - assisted terrorism and insurgencies elsewhere in the 1990s.<sup>3</sup> The fact that the US is apparently unable (or unwilling) to enforce its own laws on nuclear non-proliferation and/or transfer of missile technology when the offender is Pakistan (or China) further excites Indians to fury and a sense of injury. Indeed, so heavy is the burden of Pakistan on India's collective psyche and foreign policy making, that it sometimes seems as if all other relationships, especially with the US, are hostage to it. Thus, considerable ground was covered between New Delhi and Washington between 1990 and 1995 while the ban on all American assistance to Pakistan mandated by the Pressler Amendment was in force, with a marked drop in warmth after the Hank Brown Amendment of 1995 permitted some transfer of arms for payments earlier made by Pakistan.4

In spite of the Cold War having to an end, the US has renewed its need of Pakistan as an ally to pursue its strategic objectives vis-a-vis Iran in part, the Gulf region as a whole and Central Asia that is at the

<sup>&</sup>lt;sup>3</sup> C. Uday Bhaskar, "Recent Development in Indo-US Relation", *Strategic Analysis*, December 1997, Vol.XXI, No.9, pp.1383-1387.

Asian Survey, June 1996, Vol.XXXVI, No.6, pp.574-591.

Amendment sought to ease the Pressler sanctions to provide embargoed arms worth \$370 million to Pakistan and instead of handing over the f-16 aircraft to Pakistan, it envisages a third party sale of the aircraft with the proceeds going to Islamabad.

Pakistan, Kashmir and nuclear non-proliferation have been the three big thorns in the side of Indo-US relations for the part ten years. It has been on the high priority list of successive US Administrations and particularly, the Clinton dispensation. US Congressman Lee Hamilton, for example, once described the Kashmir issue as the "single most contentions issue disrupting India-US relation"<sup>5</sup>. A lot of heat was generated in India when in October 1993 the US Assistant Secretary of State for South Asia, Robin Raphel, Stated that the entire state of Jammu and Kashmir is disputed. In the words of Ms. Raphel: "We do not recognised the Instrument of Accession as meaning that Kashmir is an integral part of India. the people of Kashmir have got to be consulted in any kind at final settlement of the Kashmir dispute. Besides the differences over the human rights situation in Kashmir continue to be an irritant between the two countries.

<sup>&</sup>lt;sup>5</sup> Indian Express, April 30, 1994.

<sup>&</sup>lt;sup>6</sup> Time of India, October 30, 1993.

India perceived these statements of Ms Raphel as interference in its internal affairs. New Delhi basically considers Kashmir to be a bilateral issue between India and Pakistan that should be resolved within the framework of the Simla Agreement. It will be in the interest of both India and Pakistan and external powers like the US to follow a policy of least provocation.

The nuclear issue between India and the US remains hot over the years. Differences over the nuclear issue have greatly complicated the course of India-US relations and reflected the discordant aspect of their relations. It is believed in certain quarters that the Clinton Administration nuclear policy towards South Asia is clearly India focussed, because China cannot be touched, and that Pakistan is a problem. Nuclear explosion by India on 13 May 1998 by India, unleashed a fury of events in India's neighbourhood and catapulted India into probably its worst confrontation with United States. United States imposed a wide range of sanctions against India under the Glenn Amendment. The immediate US response to the tests was a prompt offer by Bill Clinton to Vajpayee that if India agreed to sign the CTBT he would hold off on economic sanctions.

Any analysis of India-US relations will not be complete without the inclusion of the economic interests and concerns of the two. There are

<sup>&</sup>lt;sup>7</sup> Surjit Mansingh, "How the US Perceives China and India", *World Affiars*, Oct-Dec. 1997, Vol.1, No.2, pp.127-141.

India the focus of Washington's South Asia policy. The economic liberalisation policy of the Government of India has now paved the way for unprecedented trade and investment between India and the US. The Clinton Administration has recognised India as a major player in the economic fields. The United States is India's most important trading partner in both exports and imports, and it is India's largest foreign investor, accounting for 42% of the \$2 billion total approved by India in 1993 - roughly equal to the cumulative total investment in the 40 years prior to 1991, according to Commerce Secretary Brown.8

A US-India Commercial Alliance has been established to promote greater interaction between the private sectors of the two countries. It may be recalled that during Prime Minister Narasimha Rao's visit to the US in May 1994, it was decided to revive the India-US Economic/Commercial Subcommission. Hence the former acts as a complement to the work of the latter.

Any improvement in India-United States relations will largely revolve around the ability and the motivation of the policy makers in both Washington and New Delhi to make a break with the turbulent past. In the

<sup>&</sup>lt;sup>8</sup> Speech to a US-India Business Council luncheon meeting, 6 October 1994; India News [electornic] Network Digest (hereafter, INND), 2:374 (14 October 1994) and 2:385 (21 October 1994).

changed international scenario, the key to conducting diplomacy for both the countries is to engage in a dialogue, even when there appears to be no meeting ground. In the words of Ambassador Frank Wisner: "It has been the US hope to broaden the relationship, because of strategic significance, identity a broad range of mutual interests, so that ultimately the whole will be much greater than the sum of the parts and no difference and/or differences will impede the relationship."

## Russia, India and Central Asian Republics

The story of Indo-Russian relations, is largely the story of Indian foreign policy, India's desire, in the late 50s, for a closer relationship with the Soviet Union as part of its non-aligned foreign policy was more than reciprocated by the then great super power. India was a leader of the Non-Aligned Movement and had an acknowledged status in the international arena and the Soviets were able to show off this friendship as an example of "peaceful co-existence of countries with differing political systems".

The Global events brought India and the Soviet Union together in the fifties when the Cold War dominated international relations. Throughout the Seventies and Eighties, India and the former Soviet Union acted in coordination in all areas of co-operation and mutual interest. After the 1971 Treaty of Friendship and Co-operation the relationship grew particularly

<sup>9</sup> Hindu, August 14, 1995.

close with the personal rapport of Indian leaders like Indira Gandhi and Rajiv Gandhi, with the Soviet leadership contributing significantly. Economic cooperation between the two countries boomed and on the cultural front immensely successful festivals of India in the USSR and of the Soviet Union in India were held in the 1980.

But the collapse of the soviet Union in December 1991 put all this in jeopardy and forced changes in the special relationship. At the more important level, the relationship with India was immediately downgraded as a new Russia sought to build to bridges with its more important western allies.

Yeltsin's visit to Delhi marked the first watershed in assessing the downward trend in Indo-Russian relations: the rupee-rouble imbroglio was resolved, with India promising to pay Rs.36,000 crore over a period of 12 years or Rs.3,000 crore every year, the money could be repaid through goods bought by Russian entrepreneurs, through investment in Russian projects in India, or simply, through directly selling the Indian rupee on Russian stock exchanges. During this visit both Yeltsin and prime Minister P.V. Narasimha Rao sought to come out with a precise framework within which relations between Russia and India would develop. The framework

was provided in the Treaty of Friendship and Cooperation concluded on January 28, 1993.<sup>10</sup>

Narasimha Rao's visit to Moscow in June 1994 marked another watershed in Indo-Russian relations, this time on the political front, with the signing of the Moscow Declaration that recognises the territorial integrities of multi-ethnic states. Implicit in the declaration is India's right to defend Kashmir from outside interference; conversely, India is morally bound not to criticise Russia's actions in the defence of nationhood, however, bloody there may be, as in Chechnya. Russia reiterated its position on resolving the Kashmir problem according to the Simla Agreement and was supportive of India's claim to be part of an extended Security Council, whenever that body is expanded.

India's economic ties with Russia, badly disrupted since the disintegration of the Soviet Union, seem firmly set for a revival with the two countries reaching a number of important decisions. In fact, economic turned out to be major component of the Prime Minister's mission.

Prospects of Indo-Russian relations in the 21st century requires an assessment in the context of post-Soviet predicaments of the Russian Federation and parallel orientations of its foreign policy and strategic

<sup>&</sup>lt;sup>10</sup> Sita Gopalan Ramchandran, "India's Relations with Erstwhile Soviet Union and Russia", *Strategic Analysis*, October 1995, Vol.XVIII, No.7, p.978.

perceptions.<sup>11</sup> Russian Prime Minister Yeugeny Primakov's visit to India from December 20 to 22, 1998, his discussion and the Indo-Russian agreements signed underline a revival of the substance of Indo-Russian relations.

A durable relationship with India is important for Russia in terms of strategic interests in the southern parts of the Asian landmass. It is this motivation which resulted in the affirmation by Prime Minister Primakov and Mr. Vajpayee that India and Russia "intend to move towards a strategic partnership, which will be confirmed during the next summit level meeting by the signing of a declaration on strategic partnership between the republic of India and the Russian Federation."

Out of the seven agreements signed during Primakov's visit, those dealing with military technical cooperation up to 2010, on the development of trade, economic, industrial, finance, science and technology cooperation and on cooperation in the field of communications in civil aviation, one of particular importance to India. Russia can and should remain an important source of our defence supplies, advanced technologies and energy resources.<sup>12</sup>

<sup>11</sup> World Focus, Nov.-Dec. 1994.

<sup>&</sup>lt;sup>12</sup> The Hindustan Times, 20 January 1999.

Conditions are ripe today for old friends like India to rebuild close ties with Russia, which continues to be an important political and economic partner. Russia's long term national interests in geostrategic terms coincide to a large extend with India's perception and cannot be ignored by the leadership in both capitals - Moscow and New Delhi, Central Asia is an example in point. 13

Russia, Indian and Central Asian geo-political interests tend to converge in this region for the foreseeable future. To an extents the convergence emanates from history, including decades - long friendship and cooperation between India and the former Soviet Union, geographical proximity, shared perception of interest a certain commonality of beliefs and values. It has been found official recognition in the Indo-Russian Joint Declaration issued at the time of Prime Minister P.V. Narasimha Rao's Moscow visit from June 29 to July 2, 1994. The document reiterates "their deep interests in promoting peace and stability in the area between the boarders of the Republic of India and the Russian Federation" meaning there by Central Asia and Afghanistan.

India's relations with the region date back to antiquity. All the turbulence in the chequered history of Central Asia has always had a spill-over effect on India. Both India and Russia are deeply interested in the

<sup>&</sup>lt;sup>13</sup> World Focus, April 1995.

not tempted to fish in the troubled waters. Neither India non Russia would like the region to pass under the influence of Islamic forces, China or the West.

India, Russia and the Central Asian Republics share certain common characteristics. All of them are multi-ethnic, multi-lingual and multi-religious states. Moreover, Central Asia is situated on the cross-roads of history where the boarders of great powers and civilisation have traditionally met. The region is, therefore, of crucial geo-political importance for all concerned.

Pakistan is persistently and energetically wooing the Central Asian Republics and trying to garner their support for its anti-India platform, particularly so with regard to Kashmir. India is following an activist policy of cultivating these republics. Leaders of these republics have visited India and Indian leaders have visited them. Numerous agreements have been signed between these republics and India that aim at expanding their cooperation in various fields. India's emphasis is on economic diplomacy to protect and promote its interests in the region.

India is handicapped in its dealing with Central Asia by the absence of geographical contiguity. For the present, India's economic and business interaction with Central Asia - despite great interest on both sides is not

much. Present air transport of Indian goods to Central Asian capitals as also the circutous sea route via Black Sea ports - is very expensive and does not make Indian goods competitive in Central Asian markets. The memorandum of understanding signed between India, Iran and Turkmenistan on April 18, 1995, provides for surface transportation of gods between India. India and Central Asia across Iran. The agreement, no doubt, is of historical importance. Once this route becomes operational in the near future, trade and economic transactions may greatly expand.

#### **Indo-China Relations**

Ever since the 1962 Sino-Indian war, which was a watershed in the history of India-China bilateral relations, the relationship between these two countries remained frozen until they restored their ties in 1976 as ambassadorial level. It took almost three years following the restoration of ties to pay a visit to China by the Indian Foreign Minister (A.B. Vajpayee visit to China) in 1979 and further two years by the Chinese Foreign Minister (Huang Hua's visit to India in 1981) to visit India. The year 1988 witnessed possibly another hallmark when the late Indian Prime Minister Rajiv Gandhi paid a visit to China. The visit evidently led to thawing of the cold relationship between these two Asian giants, thereby ushering in a new phase of bilateral relations between them.

It seems that the traditional stance held by a section of Indian elites that Sino-Indian relations could not improve unless the territorial problems between the two were resolved, has eroded following the return visits by the Chinese and the Indian Premiers Li Peng and Narasimha Rao in December 1991 and September 1993. In the aftermath of late Rajiv Gandhi's visit to China in 1988, New Delhi adopted a policy which segregated the territorial problems from the overall bilateral relations between India and China. It was also made clear that broader issues could be discussed simultaneously without directly linking them with the overall bilateral relations of the two.

A critical scrutiny of the prospects of Sino-Indian relations may help one to reveal that there are elements of both optimism and pessimism. It is worth mentioning that although the process of normalisation between India and China had begun much earlier compared to the normalization process between the ex-Soviet Union and China, India and China relations has been left behind because they could not come to an agreement about territorial issues.<sup>15</sup> In the context of the changed circumstances, the territorial problems remain a key variable which is likely to affect the momentum of

<sup>&</sup>lt;sup>4</sup> Abdu' Taher Salahuddin Ahmed, "India-China Relations in the 1990s", *Journal of Contemporary Asia*, 1996, Vol.26, No.1.

<sup>&</sup>lt;sup>15</sup> Surjit Mansingh and Stevel I. Levine, "China and India: Moving Beyond Confrontation", *Problems of Commnism*, (Vol.XXXVIII, Nos.2-3, March-June 1989), p.39.

their tension as it did in 1987 on the issues of Sumdorong Chu Valley and the statehood to Arunachal Pradesh.

In the evolving post-cold war order, the sub-continent's two major powers continue to remain in a frozen position, where China and India have accelerated the pace of normalisation, set in motion since the 1980s. Ever since the deconstruction of the Sino-Indian cold war was initiated by the leaders of the two countries, China has consistently reassured Pakistan that an improvement in its relations with New Delhi would not dilute its close ties with Islamabad which have been created through decades of careful cultivation on either side and benefitted both bilaterally and in the regional sphere.

The relevance, direct and indirect, of China to India's strategic planning cannot be underestimated. It will affect India's national security interests. The direct concerns will be due to the programmes of modernisation of the Chinese military and strategic forces. The indirect effects of the Chinese actions, however, are likely to pose more serious challenges to India's security interests. In particular, the continuing Chinese assistance to Pakistan's nuclear and missile programmes will have a more immediate impact on our security.

<sup>&</sup>lt;sup>16</sup> Hridaya Kaul, "Security Concerns of India", World Affairs, June 1995, Vol.V, No.1, pp.12-16.

Another sticking point that merits attention is Tibet. 17 India has accepted the Chinese authority over the region since Nehru's premiership a line of policy from which New Delhi has not deviated thus far. And during the late Rajiv Gandhi's December 1988 China visit and the Chinese Premier Li Peng's return visit to India on December 12, 1991, the Indian government has reaffirmed its stance on the Tibet issue in the Joint Communique signed between India and China. But this has not removed Chinese worries. Although china has more or less managed to keep the lid in Tibet the possibility of a more powerful manifestation of Tibetan national sentiment cannot be ruled out. The Chinese fear such upsurge could generate a wave of popular sympathy in India, particularly if Beijing feels compelled to use force on a wide scale to maintain its control. China realises this would create a dilemma for the Indian government which has already been criticized by Tibetan groups in India, as well as by opposition parties, for exhibiting a callous indifference to the principle of freedom and human rights in it pursuit of power game with China. Opposition forces has also critical Rao's stance on Tibet asserting that the Indian government had "given away too much" during the talks with the Chinese Premier Lipeng, on issues like Tibet and Kashmir.

<sup>&</sup>lt;sup>17</sup> The Hindustan Times, 21 January, 1999.

With the changes in global politics following the demise of the Soviet Union and the end of the Cold Wars, there also came marked changes in the mutual perceptions of both China and India and India leading to the speedy normalization of relations.

Eventually, China will have to live with a developed and nuclear capable India. It does not help Beijing -nor Washington, London, Paris and other world capital to close their eyes to this. India and China should refrain from making sharp statements against each other but concentrate on improving bilateral relations in the economic, political and strategic fields. Both counties need to reaffirms and respect by words and deeds the five principles of peaceful co-existence. Some restraint and political perspective on the part of Beijing, and some assertive but sober self-respect on the part of Delhi, should go a long way to bringing real peace between them.

# CHAPTER IV

REGIONAL CO-OPERATION AND INDIA'S FOREIGN POLICY.

## CHAPTER IV

## REGIONAL COOPERATION AND INDIA'S FOREIGN POLICY

Globalisation and the rapid emergence of market economies all over the world, from South-east Asia to Latin America have resulted in the spectacular emergence of regional cooperation and integration. There is increasing realisation by nations that it is no longer possible for single countries to envisage a process of modernisation as self-contain unit. It is not feasible either, to plan national growth without taking into account the changing backdrop of the international economic system.

India has become a part of the inevitable process of globalisation and integration. India's economic dipolmacy has to focus today on a new scenario where trade investment and technology take priority. The most important task for India would be to understand the nature and content of the far reaching changes in the international economic environment. India would have to increasingly cope with the demands of a complex and compétitive world.

Even as the world is moving towards greater globalisation and integration, major economic powers are rapidly consolidating themselves into mega-regional groups like NAFTA and EU. The reason for this is the perception that a major preoccupation in the coming years would relate to

consolidation of national markets, their expansion and their medium and long term integration with the regional groupings.

The process of regional cooperation has also benfitted South Asia, which was perphaps one of the east areas to accede to this process of interaction.

## South Asian Association For Regional Cooperation (SAARC)

The South Asian Nations made history by commtting themselves to regional cooperation for Regional Cooperation (SAARC). Since that movement, the region has not been the same. National governments, who suspicious of each traditionally remained other's motives, demonstrated an eagerness to explore new possibilities both for furthering their own development prospects and initiating a confidence-building process which might ultimately have salutary political effects. The people of South Asia, increasingly exposed to the concept of regionalism, remain eager to savor its benefits. Although the pace of cooperation and the mechanism used for achieving it remain a subject of debate, the basic philosophy is beyond contention. Moreover, with the structural changes taking place within the global system in the post- cold war era, there is also a growing realism among the regional countries that the best

Anuradha Gupta, "SAARC and Regional Cooperation", *Mainstream*, 21 March, 1992, Vol. XXX, No.22, pp.25-27.

possibility of maximising the benefits for individual countries would be through a collective regional endeavour.

In its first decade, SAARC has gone through a slow, but steady, acclimatisation process. It has made innumberable achievements in laying the foundation of cooperation, but remains susceptible to criticism that it has not moved fast enough in core areas by overcoming some of the hurdles.<sup>2</sup>

While experiments in regional cooperation in other parts of the world were being carried out to husband resources-material, economic and political, in order to strengthen their bargaining power vis-à-vis other groupings and to optimise the social well being of their citizens, the countries of South Asia were still grouping to embroiled in mutual suspicion. Far from providing a basis for cooperation, their shared history which, by and large, was common to most, if not all South Asian peoples, gave rise to further dissention among them, due to differences in religion, sub-cultures, political systems and leaning, and economic inequalities.

Each of the South Asian nations contains something of India and as pointed out by S.D. Muni and Anuradha Muni, if this element were removed, nothing significantly common would be left between one

<sup>&</sup>lt;sup>2</sup> R. Sampat Kumar, "Esperiements in Regional Cooperation in the Third World. South Asian ssociation for Regional Cooperation (SAARC), New Imperatives", World Affairs Journal of International issues, July-September 1997, Vol.1, No.3, pp.36-44.

neighbour and the other. But this very Indo-centricity, together with the callous attitude of India's political elite, has prevented her smaller neighbours from becoming amenable to cooperation on a regional basis.

The decade completed by the South Asian Association for Regional Cooperation (SAARC) in December 1995 represents an uncertain period, during which faltering steps were taken by the countries of the region, with minimum conviction and subdued enthusiasm. These ten years, plagued by bilateral tensions and personality clashes, called into question the usefulness of the organisation. Yet, on the eve of the eighth SAARC Summit in New Delhi in December 1995 some positive signs begun to appear and hope for an effective SAARC in the future rekindled. The coming in to force of the SAARC Preferential Trading Agreement (SAPTA) on December 7, 1995 and the talk of an early South Asian Free Trade Area (SAFTA), as well as the establishment of the SAARC Chamber of Commerce and Industry (SCCI) are likely to provide impetus to increased volumes of trade within the SAARC region.

India has been more enthusiastic than some of the other South Asian States in promoting regional cooperation.<sup>3</sup> Unfortunately, some of them are more eager to internationalize strictly bilateral matters or to bring, up such matters before the SAARC, than to seek to solve them directly

<sup>&</sup>lt;sup>3</sup> B.A. Prasad, "India's Role in the Future of SAARC", *Strategic Analysis*, Febuary 1995, Vol. XVII, No.11, pp.1353-75.

with each other - as Pakistan, Bangladesh and Sri Lanka have done in the post. The Gujral Doctrine is a calculated effort to appease smaller neighbours by seeking pragmatic solutions to long- standing bilateral issues and devising novel building blocks of sub-regional cooperation.

At the same time, India has agreed to create sub-regional geoeconomic blocs among South Asian neighbours. Segments of North East
India, Bhutan, Nepal along with parts of Bangladesh formed the "growth
quadrangle." The four countries are already engaged in exploring
integrated development, and new cross boarder transport and trade links.
In accordance a proposal submitted by Nepal, development of Brahmaputra
basin and the Bangladesh port of Chittagong could be the pillars of this
quadnangular arrangement. Similarly, Maldives, Sri Lanka and parts of
South India have been collectively designated as a "growth triangle" within
sub-regional ambit of SAARC.

At the same time, India pursued the Gujral doctrine and sub-regional cooperation even beyond the South Asian region. The creation of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC) in March 1997 and the adoption of the charter, for which India worked hard, are considered an affirmation of the Afro-Asian partnership dreamt of by Jawaharlal Nehru. Recently, India has become a member of another sub-regional grouping, the Bangladesh, India, Sri Lanka, Thailand and Economic

Cooperation (BIST-EC) forum, with Myanmar as an observe. The idea of BIST-EC was first mooted by Thailand in 1996 when India was cool towards the inclusion of Bangladesh because of bilateral problems at the time. With many of these issues successfully resolved in the meantime, India found no objection in joining the forum together with Bangladesh.

The Ninth SAARC summit and the preparatory meeting of foreign ministers took place in May 1997 in the Maldives in a refreshing positive atmosphere, holding out promise for a revitalised regional organisation.<sup>4</sup> Although the ninth summit meeting in Male was dominated by the summit meeting between Prime Minister I.K. Gujral and his Pakistani counterpart, the summit was able to achieve several important milestones. First, the acceptance of advancing the target for SAFTA from 2001 to 2005 was hailed as a major step forward. With the operationalisation of SAFTA, experts believe that the present low volume of intra-SAARC trade which hovers at 3 per cent could be dramatically booster to over 10 percent in the next five years. The second high light was the acceptance of sub-regional cooperation. This had become a sticking point with Pakistan objecting to such a scheme claiming the ulterior motive was to "isolate Pakistan".

<sup>&</sup>lt;sup>4</sup> Strategic Analysis, July 1997, Vol. XX, No.4, p.567

A landmark step by the SAARC Heads of State and Government was their recognition of the usefulness of informal political consultation among the seven member states- Bangladesh, India, the Maldives, Nepal, Pakistan and Sri Lanka, in order to promote mutual trust by fostering goodneighbourly relations, reliving tensions and building confidence. India, though traditionally opposed to SAARC assuming a political role, took the pragmatic attitude to go along with the final declaration. To other memberstates, particularly the smaller ones like the Maldives and Sri Lanka, it was a movement of triumph since they have tried all along to use the SAARC forum to air and resolve thorny bilateral differences especially with India.

Nevertheless, efforts to create the link between political, security and economic issues have been attempted in the past by several countries in the region. India has been till now a notable exception. The late Prime Minister Rajiv Gandhi has stated at the first summit meeting itself that SAARC was evolved keeping in mind the realities of the region and was not a means of merging the bilateral relationships into a "common regional entity". But rather to fit South Asian Cooperation into each state's foreign policy as "an additional dimension."

The Indian refusal to allow for a widening of the SAARC agenda was the result of a comprehensive strategy that it had thought out in the early 1980s. This strategy had five components:

- a) pursue regional cooperation in trade, manufacturing, finance,
   energy, planning, Good and agriculture, environment;
- b) initiate and expand people-to-people contact to enhance cultural identities and civilisational consciousness through which it hoped to break mental barriers of division and divergence imposed and nursed by narrow political vested interests of the state structure.
- evolve regional consensus to the extent possible on important global strategic and economic issues like disarmament, non-interference, international trade, investment, development assistance, transfer of technology, sustainable development.
- d) Keep bilateral conflicts out of the regional agenda; and
- e) Keep regional affairs as far as possible from the undesirable and division extra-regional influence as possible.

India's fear of bilateral and controversial issues derailing the already hesitant and slow moving SAARC process are real. It is also true that no other regional forum has been able to resolve the bilateral problems of its member countries. All that has been possible is to moderate and soften such problems and that is being done informally in SAARC as well.

As the largest country in the region, with a dominant economy, the Indian government should now become the engine for economic development of the region. Greater Indian participation in SAARC activities is recommended because two major suspicious of the first decade have been washed away viz., that smaller countries want to use SAARC to going up against India. The second fallacy harboured by the smaller powers was that their own economies would be swamped by the Indian juggernaut. This has not true and curiously, the smaller states, with the exception of Pakistan, have become enthusiastic about the possibilities of profiting from interaction with the larger Indian economy.

It is time that India must actively work for a region-wide acceptable of the vision of a South Asian community based on peaceful coexistance, economic cooperation, religious tolerance and cultural understanding.

## The Indian Ocean Rim - Association For Regional Cooperation

The 14-nation Indian Ocean Rim-Association for Regional Cooperation (IOR-ARC) is the latest, and possibly the east, of the major regional economic groupings to be formed in the world. Formally launced in March 1997 in Mauritius, it takes its place amidst powerful economic bodies such as the three-nation North American Free Trade Area (NAFTA), the 15 - nation European Union (EU), and the 18- nation Asia-Pacific Economic Community (APEC).

The rationale for the formation of IOR-ARC lies in the ascendancy of economic issues, and the trend towards regional economic cooperation and

integration in the post-Cold War world.<sup>5</sup> The fear of being economically marginalised, and an attempt to wield greater influence through collective action, lent urgency to the Association. The ongoing liberalisation and globalisation of the Indian economy complemented this approach.

The establishment of IOR-ARC was initiated as early as March 1995, when representatives of seven countries - Australia, India, Kenya, Mauritius, Oman, Singapore and South Africa - perceived to present their respective areas, attended an international meeting of exports in Port Louis, at the behest of the government of Mauritius. Within five months it was decided to double the membership of the forth coming association to fourteen states, one from each of the seven areas of the rim. The additional seven member-states are Indonesia, Madagascar, Malaysia, Mozambique, Sri Lanka, Tanzania and Yemen.

Of these 10 work programmes, four are to be coordinated by India. The Federation of Indian Chambers of Commerce and Industry (FICCI), a leading Indian business chamber, had already set up the IORBC at its headquarters in New Delhi. The IORBC will identify potential trade and investment complementarities within the rim, and assist in match-making between potential buyers and suppliers, as well as potential joint venture partners.

<sup>&</sup>lt;sup>5</sup> "Resolution On the Adoption of the Charter of the Indian Ocean Rim Association for Regional Cooperation", *Strategic Digest*, April 1997, pp.417-419.

Clearly, IOR-ARC lays more stress on greater economic cooperation among member-states than on economic integration. Although it is far too easy to spell out a goal for economic cooperation, the Association does not envisage does not envisage itself as an economic bloc, such as the European Union, in the future. The prospects and opportunities for regional economic cooperation are considerable, but clearly so are the varies challenges and problems, which need to be faced and overcome.

#### **India and ASEAN**

India has managed to establish friendly relations with the ASEAN countries. India's ties with South-East Asia received an impetus as a new strategic and economic scenario evolved in the post - Cold War era.

If anything made a difference toward greater cooperation between India and ASEAN, it was the new "move eastwards" policy of the Narasimha Rao government. Of course, opening up the economy and entry into free market, inherent in the unleashing of the economic liberalisation process, created a new image for India and introduced an element of commonality in the policy orientation of the South-east Asian countries and India. Secondly, the collapse of the cold war and improved India. United States relations helped the process of bettering India - ASEAN understanding. Thirdly, the breakthrough in the Sino-Indian loggam and the

<sup>&</sup>lt;sup>6</sup> World Focus, November-December 1994.

improvement in relations between India and China made a positive impact in South east Asia.

ASEAN has economic and strategic importance for India. In the autumn of 1998, India joined the Jakarta session of ASEAN foreign ministers and the meeting of the Asian Security Forum as a full dialogue partner for the first time. These meetings were followed by several India-ASEAN interferes at Singapore, Bangkok and New Delhi leading to a wide ranging engagement in economic, security and social issues.<sup>7</sup>

In our own region, SAARC seeks to promote sub-regional economic and trance cooperation through SAPTA and SAFTA, but clearly, but clearly these countries sub-region will have to look beyond to make full use of the emerging opportunities in their vicinity. It is with this purpose that India, even as we build and strengthen SAARC, will continue to need to consolidate and evolve a special relationship with ASEAN and seek an entry into APEC on the eastern side; the Indian Ocean Rim initiative would need to be fully explored.

With the 1993 visit of India's then Prime Minister Narasimha Rao to some countries of South east Asia and the exposition of a new "look East" policy in his much published and well received "Singapore lecture" at the

<sup>&</sup>lt;sup>7</sup> Sujit Dutta, "India and ASEAN: A Framework for Comprehensive Engagement", Strategic Analysis, June 1997, Vo.XX No.3, pp.357-372

prestigious institute of Southeast Asian Studied, India is once again seeking closer relationship with the countries of ASEAN. "The Asia Pacific would be the springboard for our leap into the global market place," Rao declared in Singapore.

India has now realised that it is in India's interest to move energetically and imaginatively to utilise the window of opportunity rather that awaiting initiatives from the side of Southeast Asian Countries. It is in the economic field that the most significant opportunities are emerging.

India's newly acquired status of dialogue partnership of ASEAN and the commencement of that dialogue is an important step towards greater economic interactions and eventual integration with the ASEAN. While the major role in promoting economic relations in the changed environment rests with business and industry, both in public and private sectors, the governments of India and the various Southeast Asian countries will continue to have an important role to play.

After the liberalisation of Indian economy, the primary task of our economic policy, in the coming years, would be to help mould a predictable international environment and take full advantage of emerging international economic scenario to further our national efforts with the aim of making India economically strong, influential and less vulnerable to international 'pressures', both political and economic. Like through the

regional groups ASEAN, India has established good relationship with the European Union. India's economic policy, will have to alert and alive to the changes that are underway in the international economic scenario so as to react them and recommend Policy Courses appropriate to the evolving situations. The challenge of our economic diplomacy will be to reconcile both the trends towards inevitable long-term globalisation and the consolidation of regionalism and sub-regional cooperation in such a manner that we are able to take advantage of both at the same time.

CONCLUSION.

### CONCLUSION

Foreign policy of any country is the product of a complex interplay of history, geography, past experience, present requirements, perception of ruling elite of national interest and ideological consensus.

The goals of India's foreign policy remain broadly the same throughout the 50 years since independence: Ending the Cold War, promotion of nuclear non-proliferation, peaceful co-existence of nations of diverse ideologies, social and economic systems; self-determination for colonial peoples and racial equality; racing of living standards of people by all round economic and social developments; support to the United Nations and other international organisations; Regional co-operation, with a good neighbour frame work of the South Asian Association for Regional Co-operation (SAARC) and the policy of non-alignment. But the policy underwent a new thrust in the changed context continuity and belief in moral principles. It has combined the twin principles of idealism and pragmatism. The primary interest of our foreign policy has been to safeguard our national interests - but not in the narrow selfish sense.

The post-cold war world is multipolar, still fluid and very complex. It would be appropriate to take stock of and analyse the nature of the transformation of the world political and economic structure. The sudden

collapse of the Soviet Union has left only one superpower in the international arena, but only militarily. The process of political and economic multipolarity has, proceeded apace and is as much a part of the reality as the military strength of the United States. There are other powers such as Japan, Germany, France, China etc. who are economically developed and their contribution is essential to solve the crisis in the world.

The challenge before India in the post-Cold War era is a very distinct one. The realities before Indian foreign policy makers were one, the world is turning more and more regional and even the major world powers were seeing their primary commitment to their regions. India is a part of a very vibrant region. Unless our relations with out neighbours underwent a radical changes, India would not be able to play a world role.

India will need pragmatic policies and highly flexible diplomacy to search far situations and countries with which its interest coincide. what is favourable for India is that its national aspirations run parallel to emerging concerns of the powerful industrialised countries. Our policy-makers should move out of their old negidities and show greater sensitivity in areas where mutual interests converge.

Indian political leaders, irrespective of all parties, have realised that liberalization and globalisation of economy are the means to the end of

entrenched man poverty. The differences that now exist relate to the pace, the style and the weep of liberalization and privatization. India is preparing itself in its own way for larger flows of foreign investment, preferring collaboration with MNCS, but opening the door gradually for direct MNC presence in the economy. Foreign policy is seeking economic and technological returns for the first time and it is trying to prepare for new relationships with neigbours, including those who are not on India's doorstep. This new policy of integrating Indian economy with the global one has some obvious implications for India's foreign relations - in particular, potential erosion of India's ability to take freely and independently political or economic decisions, so it must be necessary to careful monitor such potential dangers to India's policy of nonalignment-balancing the benefits of independence, sovereignty and equality among nations.

In the recent years India has made significant success in various fields. Given its vast size and power potential it is poised on the threshold of emerging as a major global power in the coming century, playing an increasingly larger role in world affairs. How soon and how effectively it plays this role would depend essentially on how credible it is able to manage the present stage of transition both interms of its domestic dynamics as well as its regional and global commitment. The present

increased dependence on external economic forces need not shy India away from playing an important role in world affairs.

In recent years, the formulation and conduct of India's foreign policy has singularly suffered from absence of a long term thinking and a holistic approach. It has been adhoc and reactive rather than pro-active. It has also lacked in transparency. What is therefore, urgently needed is long term thinking and a holistic approach to the formulation and conduct of India's foreign policy and transparency in its project to the people and to the world at large. Transparency is needed, above all, to mobilise and build the will of the people to withstand pressure form foreign powers.

Generally foreign policy stumbles through, and then is significantly influenced by a country's experience. Perhaps one can even generalize that foreign policy is the summation of experience in international relations of a certain country at a certain given period of time. Certainly it is India's actual experience that has determined whether relations are better with one country and some what indifferent with another, more friendly with one power and less with another.

The most decisive change in the international system is the emergence of multipolar world. The multipolar world is thus in reality a world with more than two principal actions on the world stage. The new world order is likely to become somewhat onerous for the developing

countries because of the changed equation between the two super powers from confrontation to collaboration.

For a connect orientation of our foreign policy during the present decade which is going to within us in to the 21st century, it is necessary to have a conceptual frame of the first changing world and India's place in it.

In the post-cold war era world faced a new situation and so did India. The country had to think a fresh and new, many of the old hypothesis had become victims of the march of the history. The economic struggle had become far more crucial than before, frequently been marked by contradictory trends. The effects of the end of the Cold War have been felt a three distinctive levels: global, regional and national.

The end of Cold War has benefited India in a number of direct and indirect ways. The sudden removal of Soviet crutch forced India not to look for alternatives but towards greater self-reliance. In turn this led to improved relations with both China and USA. The economic crisis of 1990-1991 facilitated adopting hard options that could not be taken in the past. This allowed India to open up to the world and particularly to South East Asia as a gateway to the larger Asia-Pacific region. This in turn has the Indian economy to integrate the global economy and enhanced India's position.

India is not a South Asian country, it is South Asia. It has a natural leadership role here and a responsibility that it just cannot be shrug off. It is overwhelmingly in India' national interest to strengthen regional cooperation by harnessing the collective power of these countries.

Greater integration into the dialogue process in East Asia should lead to an improvement in relations with China. An approach of constructive engagement is the most appropriate posture. This will need to be multilateral approaches to China. An early implementation of the Peace and Tranquility Agreement of 1993 would be of help.

Good relations with USA will be important to India for many years to come. Washington remains the pre-eminent player in the world. Antagonising it will not serve the national interest. Actually there are numerous areas where there is already a high degree of cooperation. The points of discord were US Kashmir policy and matter relating to proliferation of weapons of mass destruction. There is a welcome change in the US Kashmir policy lately. On the matter of nuclear non-proliferation, the objectives here is to make it clear to USA that India has no intention of upsetting global approaches to arms control or disarmament. At the sametime no government in India can accept a position of permanent debility on issues of vital national security. Within these broad parameters of efforts should continue to strengthen relations with USA.

The post-Cold War world is not necessary a more bearing world, but a world where there are more opportunities for major players to play a current relevant and independent role. India's current reality and future potential both endow it with a global importance than can only grow over the years. India should therefore. Endeavour to develop on these lines in the decades ahead.

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