



# India's Place in the World



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#### POLICY WATCH

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### Editorial

The Rajiv Gandhi Institute for Contemporary Studies (RGICS) works on five themes:

- I. Constitutional Values and Democratic Institutions
- 2. Growth with Employment
- 3. Governance and Development
- 4. Environment, Natural Resources and Sustainability
- 5. India's Place in the World.

This issue of Policy Watch begins with an overview article on India's relations with its neighbourhood countries - SAARC and SAARC +, namely Myanmar and Mauritius, providing the context to examine recent developments. It is notable that despite "Neighbourhood First" being the declared policy of the government, these relationships have deteriorated.

The second article examines India's relationship with Afghanistan, particularly in the context of the imminent pullout of the US forces after over two decades of being in that country. This is also coupled with intense diplomatic efforts by India to dialogue with the Taliban to bring them to the negotiation table with the Afghan authorities, even though the latter's writ runs perhaps in 15 percent of the country. It brings out the dilemma for India.

The third article examines the India-China relationship under the rubric of Kanti Bajpai's recent book: India Versus China: Why They Are Not Friends. We have curated a number of articles which deal with both the both the bilateral as well as the triad relationship: India-China and the US. One article examines what if any will be the consequence of the vociferous stance against China in the recent G-7 Summit to which India was invited as a guest member. There is also a report of a web panel discussion which Yun Sun, Director of the Stimson Centre, said that "the Indo-Pacific strategy and the strategic value that the US is willing to attach to put India at its regional status, requires China to take certain actions to show India first that China will not be deterred or blackmailed, and that an alignment with the US will carry a certain cost". Hard talk, indeed.

The fourth article deals with India - United States relationship under the Biden Administration. It is a digest of several articles from various sources, which together indicate that after the advent of the Biden Administration in the US, the Indo-US relationship has entered a new phase, with some gains and some setbacks. Clear challenges lie ahead for the India-U.S. bilateral ties over military, economic, and climate matters; tensions over democracy and human rights could flare up at any moment.

The issue was largely put together by Prof Somnath Ghosh, Senior Visiting Fellow, RGICS and the undersigned. It is aimed not at the expert-scholar but those who would like to have a deeper than a layman's understanding of the recent developments in India's foreign relations and the underlying dynamics behind these. We hope it serves that purpose.

Vijay Mahajan, Director, Rajiv Gandhi Institute for Contemporary Studies



# SAARC South Asian Association for Regional Cooperation







Bhutan











Afghanistan

Bangladesh

India

Maldives

Nepal

Pakistan

Sri Lanka

## India's Relations with SAARC and SAARC+ Neighbourhood Countries

India's relations with its immediate neighbours have had a roller coaster ride.Trade, investments in infrastructure development projects, and security considerations are broadly the three pillars on which India's relations with its neighbours are based. And these in turn are subject to power politics of competing political parties, nationalistic sentiments and the ever-present fly in the ointment, China.

During the election campaign in 2014, before becoming the Prime Minister, Narendra Modi stated that one of core components of his foreign policy will be "neighbourhood first" to foster cordial relations and synergetic economic development and he started well by inviting all heads of state/heads of government of South Asian countries in his inauguration and on the second day in office he held bilateral talks with all of them individually which was dubbed as a mini SAARC summit by the media.

#### **Bangladesh**

As for relations with Bangladesh is concerned, historical antecedents can only blur our appreciation of current developments. India may have played the midwife's role in the birth of Bangladesh; Bangladesh may also have been a "basket case" in the past. But today, Bangladesh is not only ahead of India on many HDI parameters but its per capita income at \$2,227 is higher than India's \$1,947 in FY 21. As Bangladesh rises, Sri Lanka finds India is not the only neighbour with deep pockets: the currency swap arrangement between Sri Lanka and Bangladesh seems to be the first time that any country other than India has provided macroeconomic support to another South Asian country.

Apart from the trade and investment related matters that are common in India's bilateral relations with neighbours, Indo-Bangladesh relations are affected by three factors. First relates to the issue of insurgents and similar others, using Bangladesh territory for anti-India activities – made troublesome due to a porous border. Second is the more politically sensitive issue of managing, if not restraining, Islamic fundamentalist forces in spreading hatred against India. Third is the issue of illegal migrants from Bangladesh, and more recently the crossover of thousands of Rohingya refugees. This is a potent issue for India creating a heady cocktail

of religion and electoral politics. Whatever may be the merits or demerits of CAA and NRC, particularly in the Indian states of Assam and West Bengal, these are highly emotive issues virtually splitting the society vertically.

In 2015, the border dispute that included maritime boundaries and enclaves was resolved. This was a long pending issue which could be resolved by passage of Constitution (100th Amendment) Act 2015 which ratified the 1974 land boundary agreement (LBA) between India and Bangladesh. India received 51 Bangladeshi enclaves (covering 7,110 acres) in the Indian mainland, while Bangladesh received 111 Indian enclaves (covering 17,160 acres) in the Bangladeshi mainland.

In 2017, two defence agreements were signed – the first such in this region – for defence equipment production, in spite of China being the largest supplier of arms to Bangladesh. It also covered counter terrorism, natural disaster and humanitarian assistance and disaster relief (HADR). The two countries also concluded 90 instruments in hi-tech areas involving electronics, cyber security, space, IT and civil nuclear energy. And year 2018 saw the inauguration of 130-km Bangladesh-India Friendship Pipeline to transport 4 lac MT of diesel to Bangladesh. Last year, with support from India under its 'Development Partnership' programmes, a number of old railway links are being revived, such as the Chittagong-Dibrugarh line, while new ones such as Mongla Port-Khulna, Agartala-Akhaura are also being developed. And soon, a new nonstop passenger rail service between India and Bangladesh will start rolling. Initially focused on tourism, the link will be utilized to facilitate other trade and commerce sectors in the newer future.

But things haven't been always smooth. A recurring problem has been the frequent border killings of Bangladesh people by India's BSF, with Human Rights Watch estimating 1,000 deaths during 2001-2011 ostensibly on issues related to armed dacoity, fake money transfer and illegal drugs. Bangladesh had also been critical of India's blockade of Nepal in 2015 and termed it as violative of the Bangladesh-Bhutan-India-Nepal (BBIN) Initiative. In 2019 when India passed Citizenship Amendment Act (CAA), Bangladesh Foreign Minister and Home Minister cancelled their trips to India. Later, Deputy Minister of Foreign Relations also cancelled his visit. Bangladesh PM Sheikh Hasina commented that while CAA was not necessary, it was India's internal matter.

In March 2021, when PM Modi was invited to attend 50th independence anniversary celebrations of Bangladesh which also coincided with the birth centenary of Sheikh Mujibur Rahman, the country's founder and father of the current Prime Minister, Sheikh Hasina, the Bangladesh government had hoped it would be a memorable occasion. But Modi's visit sparked violent protests. The protests were led by Islamists, students of madrassas (religious schools) and left-wing groups opposed to Mr Modi's visit to Bangladesh. They accused him of pursuing anti-Muslim policies. Dhaka and the eastern district of Brahmanbaria witnessed some of the worst violence, resulting in 12 deaths.

But the most the most important bilateral issue between Bangladesh and India is the Teesta river water sharing dispute. The following piece from The Diplomat places the issue well:

#### India Must Settle the Teesta River Dispute with Bangladesh for Lasting Gains<sup>1</sup>

#### By Anuttama Banerji, The Diplomat, April 09, 2021

Indian PM Narendra Modi recently concluded his visit to Bangladesh after participating in celebrations commemorating the 50th year of Bangladeshi independence and the centenary of Bangabandhu Sheikh Mujibur Rahman amidst much fanfare. While the visit reaffirmed his long-standing commitment to a "Neighborhood First" policy and explained the future course of the burgeoning partnership, the high profile visit failed to address the Teesta river water sharing dispute which is the most important bilateral issue between India and Bangladesh.

The Teesta river, a tributary of the Brahmaputra, originates in the Teesta Kangse glacier and flows through the state of Sikkim and West Bengal before entering Bangladesh. It has been mired in conflict since 1947 when the catchment areas of the Teesta were allotted to India. After the setting up of the India-Bangladesh Joint Rivers Commission in 1972, an ad hoc arrangement on sharing of Teesta waters was made in 1983, with India receiving 39 percent of the water and Bangladesh 36 percent of it. The Teesta river issue assumed significance after the conclusion of the Ganga Water Treaty in 1996. Negotiations between India and Bangladesh on the sharing of the river waters began soon after but have made limited progress.

In 2011, India agreed to share 37.5 percent of Teesta waters while retaining 42.5 percent of the waters during the lean season between December and March. However, the deal never went through due to opposition from West Bengal Chief Minister Mamata Banerjee who strongly opposed the treaty. The sharing of the Teesta waters has been a long standing demand of Bangladesh since the livelihood of millions is attached to the river's water. Moreover, constant building of dams along the Teesta in Sikkim has resulted in lean seasonal flow draining into Bangladesh. Since Bangladesh is a lower riparian country, it is naturally sensitive about transboundary river issues, and the sharing of the Teesta waters currently holds the key to improved India-Bangladesh relations.

However, India has consistently shied away from addressing the Teesta water issue and this has irked Bangladesh. The Dhaka Tribune has noted with dismay recently that despite the friendly relationship between the two countries, India and Bangladesh have not discussed the river water issues (including the Teesta issue) through their common platform, the Joint River Commission (JRC) in the last 10 years with the last JRC Ministerial Meet being held in New Delhi in March 2010. Similarly, Daily Star lamented that despite sharing 54 rivers India and Bangladesh had not signed a single treaty on water sharing in the last quarter of a century.

Due to India's intransigence, Bangladesh had attempted to cultivate China and was "considering a proposal from China to dredge and embank large portions of the Teesta River so that it formed a single manageable channel." India had opposed the project since it did not want Chinese technicians close to the "Chicken Neck" corridor that links mainland India to its northeast. However, leading Bangladeshi scholars have questioned India's stance on the issue and implored Prime Minister Sheikh Hasina to go ahead with the project with the Chinese.

<sup>1</sup> https://thediplomat.com/2021/04/india-must-settle-the-teesta-river-dispute-with-bangladesh-for-lasting-gains/

At a time when India and Bangladesh are apparently witnessing a Shonali Adhyaya (Golden Era) in their bilateral relationship, not addressing this contentious issues properly can dampen the spirit. It is in India's interest to conclude the Teesta water sharing agreement before Bangladesh slips into China's tight embrace. Bangladesh has made its position clear. It will be a part of China's Belt and Road Initiative (BRI) though it continues to believe India is its "most important partner." Dhaka is walking a diplomatic tightrope while it attempts to maintain cordial relations with both Beijing and New Delhi. Sheikh Hasina wants to conclude the Teesta agreement to appease her domestic audience. Shiekh Hasina has been viewed as "pro India" by Bangladeshis and it is important for her political future that the agreement goes through.

India also has much to gain from the conclusion of the treaty. If India signs the treaty, it will be able to send a positive signal to all stakeholders within Bangladeshi society and assuage fears that exist in the minds of average Bangladeshi about India's intentions. India will be able to cement its position as an all-weather friend of Bangladesh in the neighborhood and in due course of time, it will be able to further develop a robust economic and strategic partnership without worrying about the party in power in Bangladesh. After the Land Boundary Agreement that was signed in 2014, it is this Teesta water sharing agreement that will be remembered as part of the Shonali adhyaya of India-Bangladesh relations. But India must act now.

#### Bhutan

Following an invitation by Bhutanese King Jigme Khesa Namgyel Wangchuk and PM Tshering Tobgay, Prime Minister Narendra Modi chose Bhutan as his first foreign destination, placing regional co-operation before global co-operation.

The 2014 visit was called by the media as a "charm offensive" that would also seek to check Bhutan-China relations that had recently been formalized. He also sought to build business ties, including a hydro-electric deal, and inaugurated the India-funded Supreme Court of Bhutan building. While talking about the visit, Modi said that Bhutan was a "natural choice" for his first foreign destination because of the "unique and special relationship" the two countries shared. He added that he was looking forward to nurture and further strengthen India's special relations with Bhutan. His entourage included Foreign Minister Sushma Swaraj, National Security Adviser, and Foreign Secretary.

Optics apart, there are a few things that one needs to bear in mind to contextualize India's evolving relations with Bhutan. India shares a 605 kilometer border with Bhutan and is its largest trading partner, accounting for 98 percent of its exports and 90 percent of its imports. While historical ties bind nations especially having common border, the burden of history can also cast a shadow if adjustments in relationships are not made reflecting contemporary realties, including peoples' aspirations.

During days of British India, Bhutan became a protectorate after signing a treaty in 1910 allowing the British to "guide" its foreign affairs and defense. After India became an independent nation, Bhutan and India signed the Treaty of Friendship on August 8, 1949 which apart from

establishing free trade and extradition protocols also called for peace between the two nations and non-interference in each other's internal affairs. However, Bhutan agreed to let India "guide" its foreign policy and both nations would consult each other closely on foreign and defense affairs.

It's important to note that this Friendship Treaty protects Bhutan but does not make Bhutan a protectorate as during British rule. This nuance is sometimes missed – perhaps in overenthusiasm – as happened in August 1959 when following a rumor that China was seeking to 'liberate' Sikkim and Bhutan, Nehru stated in the Lok Sabha that the defense of the territorial integrity and frontiers of Bhutan was the responsibility of the Government of India. This statement was immediately objected to by the Prime Minister of Bhutan, saying Bhutan is not a protectorate of India nor did the treaty involve national defense of any sort!

Perhaps as a natural progression, the Bhutanese government expressed a need to renegotiate parts of the treaty to enhance Bhutan's sovereignty. While a fresh treaty was signed only in 2007 that did away with the above irritants, the interregnum witnessed a few instances where Bhutan demonstrated its identity independent of India whether as UN member or voting against India in international fora.

Apart from century old ties, the high points in India-Bhutan relations revolve around trade, commerce, infrastructure projects, budgetary support, and capacity building and technical support to army.

A 2,000 strong Indian Military Training Team (IMTRAT) is permanently based in western Bhutan to train the Royal Bhutan Army, while other units regularly cooperate with the Royal Bhutan Army. From 2003 to 2004, the Royal Bhutan Army conducted operations against anti-India insurgents of the United Liberation Front of Assam (ULFA) who were operating bases in Bhutan and using its territory to carry out attacks on Indian soil.

In 2012–13 fiscal, India's budgetary support to the Kingdom country stood at Rs 3000 crore, reaching Rs. 6000 crore in 2015–16 making Bhutan the largest beneficiary of India's foreign aid. India's "Economic Stimulus Package" for Bhutan's slowing economy involves three hydro power projects of 1,416 MVV, with three more of 2,129 MVV under construction. There is however a growing disillusionment among a section of the Bhutanese population over India's engagements in this sector. More recently, India has committed assistance of Rs. 4500 crore for implementation of development projects and Rs. 400 Crore for transitional Trade Support Facility during Bhutan's 12th Five Year Plan (2018 - 2023). 51 large and intermediate projects and 359 SDPs/HICPDs are at various stages of implementation under the 12th Five Year Plan.

But it seems Bhutan has had to pay the price for its proximity to India. After the Doklam standoff between the armies of China and India, China made territorial claims on eastern Bhutan which may be an extension of its claims on Arunachal Pradesh. The Chinese have been engaged in border talks with Bhutan since 1984. They have reportedly never discussed the eastern sectors as the Chinese allegedly did not lay claim to it. But after Doklam crisis China issued a new map and unilaterally claimed territory in eastern Bhutan as its own. China is

now doing in Bhutan what it did in the South China Sea — first create settlements and then bring in civilian population so that it becomes more complicated to settle the matter soon. This in turn, makes it more difficult for India also to bring up the tri-junction issue with the Chinese.

According to Rabilal Dhakal, who teaches in the country's Royal Thimphu College, tensions intensified during the conflict in Doklam, "At the time, the Indian media manipulated the geography of Doklam to say that Indian forces were in Sikkim when they were actually in Bhutanese territory," he said. "That irritated the Chinese so I will not be surprised if China makes even more claims given what transpired in Ladakh." As has been the case historically, Dhakal said, Bhutanese sympathies continued to be with India. "The only problem is the Indian media which spreads all sorts of misinformation about Bhutan and keeps speculating that we, like Nepal, have sided with China," he said. "That has put off a lot of people here. Actually we have been punished (by China) for allying with India... Bhutanese feel they have been dragged into India-China dispute.

Post the Doklam crisis, many steps have been taken to invigorate trade and connectivity between India and Bhutan, enabling smoother trade of goods and strengthening of sub-regional cooperation amid Chinese inroads into South Asia. Next, India has expedited plan to connect Bhutan via rail as China pushes hard along LAC. The rail link connect Mujnai (West Bengal) and Nyoenpaling (Bhutan) and the Indian Ministry of Railways has already commenced a feasibility study for it. This proposed network, first for the Himalayan state, will smoothen cross border movement.

India is also to open new trade routes with Bhutan to enable smoother sub-regional cooperation. With this latest development, Nagarkata will now be notified as a 'permanent' LCS without any commodity restrictions, therby allowing Bhutan to export inter alia boulders and river bed materials to India and other third world countries, throughout the year. India's vaccine diplomacy was also launched when Bhutan was the first to be gifted Covid vaccine early this year. In May 2021, Assam chief minister Himanta Biswa Sarma met Consul General of Royal Bhutanese Consulate Phub Tshering to promote people to people contact between Assam and Bhutan, to increase the trade volume, and build new roads to take mutual relations to a greater height.

#### Nepal

As sovereign countries, the relationship of Nepal and India is based on the 1950 Indo-Nepal Treaty of Peace and Friendship. It included provisions that defined security relations between the two countries, and an agreement governing both bilateral trade and trade transiting Indian territory. The 1950 treaty and letters exchanged stated that "neither government shall tolerate any threat to the security of the other by a foreign aggressor" and obligated both sides "to inform each other of any serious friction or misunderstanding with any neighboring state likely to cause any breach in the friendly relations subsisting between the two governments."

These accords cemented a "special relationship" between India and Nepal. The treaty also granted Nepalese the same economic and educational opportunities as Indian citizens in

India, while accounting for preferential treatment to Indian citizens and businesses compared to other nationalities in Nepal.The Indo-Nepal border is open; Nepalese and Indian nationals may move freely across the border without passports or visas and may live and work in either country.

Nepal has however expressed strong desire to amend the 1950 Treaty to reflect current geopolitical developments. In 2008 during the visit of Nepalese PM, both countries issued a 22-point statement highlighting the need to review, adjust and update the 1950 Treaty. India also agreed to provide a credit line of up to Rupees 50 crore to Nepal to ensure uninterrupted supplies of petroleum products, as well as lift bans on the export of rice, wheat, maize, sugar and sucrose for quantities agreed to with Nepal. India would also provide Rs 10 crore as immediate flood relief. In return, Nepal will take measures for the promotion of investor friendly, enabling business environment to encourage Indian investments in Nepal.

Since then, both trade and investments have only increased. India is Nepal's largest trade partner and the largest source of foreign investments, besides providing transit for almost entire third country trade of Nepal. India accounts for over two-thirds of Nepal's merchandise trade, about one-third of trade in services, one-third of foreign direct investments, almost 100% of petroleum supplies, and a significant share of inward remittances on account of pensioners, professionals and workers working in India In the year 2017–2018, Nepal's total trade with India was about US\$8.2 billion; Nepal's exports to India were about US\$446.5 million; and imports from India were about US\$7.7 billion.

A major crisis occurred in 2015 when Nepal promulgated its new Constitution but the Madheshis and Janajatis felt they were marginalized and being left out in the new constitution. These groups, the Madheshi in particular, then organized a blockade of the border in September 2015, leading to an economic and humanitarian crisis in Nepal five months after a devastating earthquake. The Nepalese government accused India of deliberately worsening the embargo by not allowing vehicles to pass from check-points where no protests were held, questioning whether the blockade of the long border was possible. Indian government, however, denied all allegations of any involvement in the blockade.

Of late, tensions have again brewed between Nepal and India, and Nepal and India's relations have taken a turn decidedly for the worse, possibly for the first time since the ugly 2015 'blockade', over a territorial dispute that had been festering for ages. Nepal stirred up public sentiments, and unilaterally amended its political map without holding talks through diplomatic channel over a road built in Lipulekh -- a territory effectively under Indian control for more than 60 years.

Analysts say that much of this has also to do with political jostling among major parties in Nepal. By late last year, Nepal Communist Party (NCP) had already split into two factions — one led by incumbent Prime Minister K.P. Sharma Oli and the other by Madhav Nepal and Pushp Kamal Dahal, both former prime ministers.Yet, in June 2020, in an unusual coming together, five former prime ministers of Nepal cautioned against alleged external influence in internal matters of Nepal.Though unstated, the reference to India was not lost on anybody.

In 2018, KP Oli rode to power on an anti-India wave. Thereafter, relationship between Oli and India became weren't at the best, primarily due to two reasons: the Nepal-India Eminent Persons group (EPG) report and Nepal's participation in BIMSTEC military drills. Then last year in 2020, ties between the two soured after both India and Nepal — one after the other — published maps in which they included Kalapani, Lipulekh, and Limpiyadhura region in their side of the territory. However, with the split in NCP, KP Oli's relationship with India has improved, with Oli categorically stating "misunderstanding with New Delhi has been resolved". Still – as the former Indian Ambassador to Nepal, Rakesh Sood says, a reset in India-Nepal relations is called for.

#### Pakistan

Of all neighbours, India's relations with Pakistan has been most troubled. The partition of India and the birth of Pakistan in 1947 saw an orgy of violence, death, destruction and displacement of tens of thousands across borders. The schism was on religious lines, though there were and still exist strong cultural and language bonds. The countries have fought four wars, in 1948, 1965, 1971 and 1999. Treaties punctuated the wars. The 1965 war was followed by Tashkent Agreement, and the Shimla Agreement of July 1972 following dismemberment of Pakistan with the birth of Bangladesh. The Lahore Agreement of February 21, 1999 was ratified by the parliaments of both countries and signaled a major breakthrough in overcoming the historically strained bilateral relationship between the two nations in the aftermath of the public circles in Pakistan and hailed by the international community, little did Vajpayee know that Pakistani generals were plotting Kargil intrusion only three months later.

Pakistan has used a strategy of "asymmetric warfare" — using jihadi fighters for its own ends, and for this Pakistan has found it necessary to control Afghanistan as a pawn for its own political purposes. Apart from aiding terrorists to infiltrate Kashmir, Pakistan's intelligence agencies have been responsible for numerous terrorist attacks in India, the most notorious being attack on the Indian Parliament in 2001, Mumbai attack in 2008 and the more recent Pulwama attack that took the lives of 40 Central Reserve Police Force (CRPF) jawans on 14 February 2019. Twelve days later on February 26, Indian Air Force fighter jets crossed the Line of Control and destroyed terror launch pads in Balakot in Pakistan.

Pakistan's suspended bilateral trade with India in August 2019 after the constitutional changes in Jammu and Kashmir. Before that India exported about USD 2 billion and imported around USD half a billion worth of merchandise, which was already low compared to the potential. But trade, investment and socio-cultural exchange take a back seat at present.

The prospect of the Taliban coming back to control most of Afghanistan is a cause for worry to India as Pakistan is bound to use that regime to foment unrest in India, particularly Kashmir. In the midst of the current Afghan crisis, as we write this piece (12 July 2021), for the second time this year, foreign minister S Jaishankar will come face to face with his Pakistan counterpart Shah Mahmood Qureshi in Tajikistan's Dushanbe this week for an SCO meeting to review worsening situation in Afghanistan. But they are unlikely to have any bilateral talks; just as they didn't have any when they were together earlier at the same place in March for a Heart of Asia conference.

#### Sri Lanka

Relations with Sri Lanka, another maritime country with which India has age-old ties, is both delicate as well complex. Apart from trade, investment in infrastructure development projects, and security considerations, the ethnic Tamil issue is very much alive even after the decimation of LTTE and has strong emotive and political significance for Tamil Nadu and Sri Lanka.

The UN believes 80,000-100,000 people died in the 26-year conflict with the Tamil Tiger rebel group. Recently in March 2021, the UN Human Rights Council adopted a resolution giving Michelle Bachelet, United Nations High Commissioner for Human Rights, a mandate to collect evidence of war crimes committed during Sri Lanka's 1983-2009 civil war. The resolution was sponsored by countries included UK, Germany, Canada. The resolution also criticised Sri Lanka's judicial system, saying it was getting less impartial and that minority groups faced discrimination. But the government says the resolution is politically motivated.

While India abstained from vote on Sri Lanka at UN Human Rights Council and Delhi asked Colombo to continue reconciliation process with Tamils, eleven nations including Bangladesh, Pakistan and China voted against the resolution. "India's approach to the question of human rights in Sri Lanka is guided by the two fundamental considerations of support to the Tamils of Sri Lanka for equality, justice, dignity and peace, and ensuring the unity, stability and territorial integrity of Sri Lanka," said first secretary Pawan Badhe.

The last phase of the civil war in Sri Lanka (2006-2009) has had implications for India going beyond human rights. The following excerpts from Manoj Joshi, Distinguished Fellow at Observer Research Foundation puts the case in perspective:

As India had refused to get involved in the last phase of the civil war in Sri Lanka, Mahinda Rajapakse turned to China who supplied the country F-7 fighter jets, anti-aircraft guns and air surveillance radars, armoured personnel carriers and other systems. After the war, when Sri Lanka was being attacked all around for human rights violations against the Tamils, Beijing acted as a shield.

The upgrade of the China-Sri Lanka relationship to a "strategic cooperative partnership" in 2013 demonstrated the geopolitical consequences of China's generous support to Sri Lanka. By 2015 Chinese companies had completed infrastructure projects there worth \$10 billion. In 2016, China overtook India to become Sri Lanka's biggest trading partner with its \$4.43 billion trade pipping the \$4.37 billion of India.

China financed its projects through loans, while India's assistance comprised of 70 per cent loans and 30 per cent grants, but the scale of Chinese commitments easily outdid those of India. This was the phase of massive Chinese projects to make the Hambantota port, the Mattala international airport in Rajapakse's constituency in southern Sri Lanka as well as the Colombo Port City project to reclaim land to expand Colombo. In addition, China invested in a network of highways across the country such as the Katunayke Expressway and the Southern Expressway. (Joshi also refers to a leading Sri Lankan professor who analysed highway construction in Sri Lanka and came to the conclusion that a number of projects funded by Chinese borrowings and awarded without competitive bids were heavily overpriced, some extremely heavily so.)

But it is the security aspect that concerns India more. In India's view, according to the 1987 India-Sri Lanka Accord, both countries had pledged not to allow their territories for activities deemed prejudicial to each other's unity, integrity and security. Indian pressure led to a redrawing of the lease agreement that will require the China Merchant Port Holdings Company to divest a quarter of its 80 per cent shareholding to a Sri Lankan entity within 10 years. Another clause obliges the Chinese to return the port and land to Sri Lanka after the 99 year period. In addition by shifting a naval base to the port which will be controlled by China, the Sri Lankans are trying to assure the international community that the facility will not be used by the Chinese military.

Meanwhile India and Japan are seeking to collaborate in projects like deep sea container terminal in Colombo. The Colombo port is very important for India because the bulk of its container traffic is transshipped from Colombo harbour. Meanwhile India-based Accord group is seeking to rope in Oman to build a 3.85 billion refinery in Hambantota.

Nevertheless, the experience of the last five years has taught the Rajapakse's that there are limits to what India will accept. Sri Lanka is too important from the Indian security point of view for New Delhi to standby and allow a third country to get a pole position there. In a recent interview with The Hindu, Basil Rajapakse, the chief strategist of Gotabaya's campaign and also brother of Mahinda, said that while Sri Lanka could not afford to ignore China on economic matters, it would have to find ways to get along with India, its friend and neighbor, on political and security matters.

Excerpted from "2019 Presidential election in Sri Lanka: Frying pan into the fire?"

#### **Maldives**

Along with Bhutan, Maldives was also the first country to be gifted Covid vaccine. India's vaccine diplomacy is yet another testament to its Neighbourhood First policy, in which Maldives occupies a special and central place. This is reciprocated in full measure by the 'India First' policy of the Government of Maldives. Prime Minister during his visit to Maldives in June 2019 rightly said 'Neighbourhood First is our priority; and in the Neighbourhood Maldives is priority'.

Yet, last year, the Progressive Congress, a coalition of the opposition Progressive Party of Maldives (PPM) and the People's National Congress (PNC), spearheaded an "India Out" campaign over alleged Indian military presence from last year. In addition to anti-India rallies and campaigns on social media, the opposition took its fight to Parliament as well. In late August 2020, during a massive anti-India rally in the capital, Male, a high-rise building that housed the State Bank of India went up in flames. It was during former President Abdulla Yameen's

presidency that Maldives' relations with China warmed considerably. The archipelago joined the Belt and Road Initiative and borrowed heavily from the Chinese to fund infrastructure projects. The period saw a sharp downturn in India-Maldives relations. But ever since Ibrahim Mohamed Solih became president of the Maldives, India-Maldives relations have been on an upswing.

It is the Islamist news portal Dhiyares and its founder Ahmed Azaan that are running an 'India Out' campaign to whip up anti-India sentiment in the Maldives. A note verbale from the Indian high commission to the Maldivian foreign ministry, was published in the Maldivian media. In the letter, India complained about "recurring articles and social media posts attacking the dignity of the High Commission, the Head of the Mission, and members of the diplomatic staff by certain sections of the local media...These attacks are motivated, malicious and increasingly personal" and requested the Maldivian government to ensure the protection of the mission and staff. The high commission told the foreign ministry that these could "damage the time-tested and mutually beneficial bilateral relations between India and the Maldives".

#### Mauritius

Along with Maldives, Mauritius has been important for India to secure its maritime security agenda. Just recently in February 2021, Indian Foreign Minister Dr. S Jaishankar went on a four-day visit to the Maldives and Mauritius - holding high-level meetings in both countries, including with the defense, foreign affairs and finance, underlining the strategic intent of the trip. Apart from financial assistance to major infrastructure projects, India and the Maldives also signed an agreement to develop, support and maintain an important naval facility for the Maldivian armed forces, including training.

Mauritius and India signed a Comprehensive Economic Cooperation and Partnership Agreement (CECPA) which will be significant in enhancing Mauritius' capabilities to patrol and maintain effective surveillance over its extensive maritime spaces. India also extended a \$100 million defense line of credit that will support acquisition of defense assets from India. The joint statement issued during the visit said that "these initiatives underline once again that the security of Mauritius is the security of India; in the prosperity of Mauritius is our prosperity."<sup>2</sup>

As one analyst has pointed out, for now, India appears to be maintaining a close watch on China's growing presence and influence in the Indian Ocean region. This in fact has prompted New Delhi to improve its strategic game in engaging its Indian Ocean neighbors. But India's challenge has always been in scaling up the aid and assistance sufficiently to take advantage of the opportunities and goodwill that exist in these countries, especially compared to what China can offer. Nevertheless, for the time being, Maldives and Mauritius appear to be success stories in Indian outreach in the region.

#### Myanmar

Even before the military coup of 1st February 2021 which deposed the democratically elected members of the country's ruling party, the National League for Democracy (NLD), the military had always played a critical role in Myanmar, running the the country along with

2 ''Jaishankar Reaches Out to Delhi's Indian Ocean Partners'', The Diplomat, February 25, 2021 https://thediplomat.com/2021/02/jaishankar-reaches-out-to-delhis-indianocean-partners/ the elected civilian government in a unique hybrid system. Since historically, there has been this relationship between civil and military, it is hard to refashion a relationship that sees a sharp departure, one in which the military has no place in civilian government. But it is important to see this relationship at two levels. In the first level, this relationship carries over in decision making in civil and military matters. In the second level, it is impacted by ethnic conflicts, even civil war, for a long time.

India's relations with Myanmar operate under the shadow of China. Even China is the key player in the country where India too has age-old ties. India wants to make Myanmar the springboard for its Act East policy. Sometime towards 2010, China started making strategic investments in gas pipeline projects, special economic zones, and later expanding to BRI (China-Myanmar economic corridor); the new Yangon Project<sup>3</sup>, and a project to develop a multi-billion dollar deep sea port in Kyaukpyu on the coast of Bay of Bengal, and three border cooperation zone near China border. So, what China is doing is building a whole network right from its border till Bay of Bengal.

India on the other hand has also a large number of projects in Myanmar. But while China's recent investment is strategic, India's projects are more people oriented and developmental. They have to do more with capacity building, science and technology, agricultural research, and such others. Of late there's some movement towards connectivity projects, high voltage grid connectivity and also in aviation.

It was only recently that India took note of the hybrid political governance system of Myanmar, reflected in the joint civil-military delegation visit from India to Myanmar. It is possibly an acknowledgement that reservation of military seats in Parliament makes changes in Constitution difficult; so the civil-military combine in Myanmar's governance is likely to stay. However, the Myanmar army's action on Rohingyas got very unpopular international attention. India is aware that IS (Islamic State) is trying to penetrate ARSA (Arakan Rohingya Salvation Army) and China is also supplying arms, but Myanmar has not publicly acknowledged these. In these circumstances, India is helping build a south- north road rather than a north-south road.

India is now supplying submarines, guns and other military hardware to Myanmar. It is also providing training in our military institutes. There is also coordinated training, exercises, and joint operations as we saw in joint operations in June 2015 when many ULFA militants were flushed out. India has now a joint agreement with Myanmar under which neither country is to provide shelter to insurgents.

A key question emerges: whether India needs to calibrate its relations with Myanmar? Since seventy percent of Myanmar's population depended on the agri-rural sector, India's focus on developmental and people-centred issues was appropriate. But it was also necessary to move beyond capacity building and promote livelihoods for small and medium industries. And this approach should extend to the Indo-Pacific region. (More significantly), India should not compete with China on big ticket, but on economy and people issues – issues on which China is not interested.

<sup>3</sup> The line would make up about half of a planned 1,215km link between the new port and Kunming, the capital of China's Yunnan province, via Mandalay and the border town of Muse (pictured). This line was priced at about \$20bn in 2011. The project involves building a high-speed railway line from Kunming to Muse on the Myanmar-China border and from there on to Mandalay, terminating in Kyaukphyu port in Rakhine province. A railway line from the same corridor will branch out to Yangon port.

#### **Concluding Observations**

There's one common thread that runs across that tends to upend India's relations with neighbours. No matter how much aid and support is provided, if the popular opinion is not managed, relations will sour. These in turn are as much the product of India's domestic policies, generating counter currents abroad. In the age of social media, the tinder box is ever ready to ignite, as we have seen in the Maldives, Nepal and Bangladesh. Soft power can only be ignored at great peril.

As **C. Raja Mohan, Director, Institute of South Asian Studies, National University of Singapore, says "there's no** happy end-state in India's relations with its neighbours (with a) damned if you do, and damned if you don't" predicament. But the soft power of India also lies with how civil society, press and political parties shape the discourse, and these do impact on bilateral relations as no democratically elected government turns a blind eye to these sentiments. But sometimes it is necessary to reign in statements that have the potential to adversely affect bilateral relations. As another analyst put it:

"Remarks from among the political class which alluded to the supposed one crore undocumented Muslim immigrants in West Bengal who are "thriving" on the government's Rs 2 per kg subsidised rice and are involved in arson should have been censured for their lack of sensitivity by the larger political establishment. Statements like "half of Bangladesh will be empty (vacant) if India offers citizenship to them (Bangladeshis)" reek of an arrogance that is distasteful in its implications. In the face of these repugnant announcements by politicians, it becomes difficult for the leaders of our neighbouring nations to consider warmer relations."<sup>4</sup>

<sup>4</sup> Vaishali Basu Sharma, "India's Lack of Respect for its South Asian Neighbours is Now Mutual: The arrogant big brother attitude that disparages and belittles the nations at its borders will leave India isolated in any face-off with a big power", The Wire, 20 Aug, 2020 https://thewire.in/diplomacy/india-south-asia-neighbours-foreign-policy-respect



## India-Afghanistan Relations: What Choices does India have in the Emerging Context?

As we write, the Taliban forces enter Kandahar, the second largest city of Afghanistan, thereby consolidating Taliban control over 85 percent of the country, even as the US is determined to withdraw its forces by the end of August after a two decade presence. Under such circumstances, to say Afghanistan is in turmoil doesn't say much. What is of greater relevance is the prognosis for the future of Afghanistan and based on that, the appropriate changes required in India-Afghanistan relations, at least in the short and medium term.

#### The Dilemma for India

The following piece by Shekhar Gupta aptly summarises the two sides of the argument:

Excerpts from Episode 406 of #*CutTheClutter* where Shekhar Gupta, The Print, 5 March, 2020

#### Five reasons why many justify India's involvement in Afghanistan:

- I. Afghanistan is of great strategic importance and can't be left with a power vacuum.
- 2. From the British, Soviet Union, to America, there has always been a foreign power to stabilise Afghanistan. Additionally, it is believed that after the British empire, the burden now falls on India to manage the region.
- 3. Afghanistan offers an important transit route that connects energy in Central Asia and commerce in Europe.
- 4. Afghanistan is the resource-rich region with lots of minerals that India has great commercial interests in.
- 5. India cannot cede Afghanistan to Pakistan.

#### Why India should cede Afghanistan to Pakistan

I.Afghanistan is of great strategic importance, but for who? Not for India. Afghanistan and India do not share a border, none of our transit routes go to Afghanistan and no trade goes there.

- 2. Afghanistan is not really a threat to India. Former national security advisor Shivshankar Menon recently pointed out that in all these years, there has been only one Afghan terrorist who was found in India. Afghanistan has no sanctuaries of terrorists who want to target India.
- 3. There might be a power vacuum in Afghanistan, but have Afghans ever benefitted from the presence of a big power? Furthermore, have big powers benefitted from being there? Afghanistan is a country of minorities, ethnic diversity, with no core population. Power is always to be shared with clans, clan chiefs, tribes, thugs, mercenaries etc. Hence, it is very difficult to run Afghanistan as a unitary centralised country, with a centre of authority.
- 4. Afghanistan is important for transit, but Afghan transit routes are not available to India unless Pakistan allows it. First, we will have to improve relations with Pakistan. At present, Pakistan doesn't even allow transit of high-protein biscuits for Afghan children. It is also a very difficult topography and terrain to reach Afghanistan by bypassing Pakistan.
- 5.Afghanistan is resource-rich, but India will probably lose out to China in this respect. However, India's own mineral wealth has been very poorly exploited, with only about 60 per cent of our current resources being tapped into. So it might not be worthwhile focusing on Afghanistan's mineral resources.
- 6. India should cede Afghanistan to Pakistan, as Afghanistan is the graveyard of empires. The British, Soviet Union and America have all failed in subduing Afghanistan. The US-Afghan agreement was not a peace deal, but a withdrawal deal and sign of America surrendering from the region.
- 7. Pakistan's borders with Afghanistan are not settled. The moment there is a proper government in Afghanistan, there will be Afghan nationalism and Pakistan will have a problem. Additionally, Pakistan already has five to six army divisions in the 'Af-Pak' area and could add about 10 more. It is better for these Pakistani forces to be in Afghanistan than be facing India.

If we continue fighting Pakistan in Afghanistan, we give moral justification to Pakistan army and ISI to continue in Afghanistan. Hence, India should take a 'chanakyaneeti' approach, and stay out of it.

#### What is at Stake for India?

Apart from historical ties India has with Afghanistan, realpolitik dictates that India's role in and relationship with Afghanistan is determined by the stake it has in that country. Geography still remains an important factor in contemporary geopolitics. If Mahmood Qureshi, Pakistan's foreign minister articulates the possibility of Pakistan being hemmed in by India and (a hostile) Afghanistan, there's greater possibility of ISI moving, after the withdrawal of US and Allied forces, a large chunk of highly trained and battle-hardened Taliban fighters with close ties with the Haqqani group to Kashmir through POK. So, India's security is at stake. On the other hand, General Ashfaq Parvez Kayani, the commander-in-chief of the Pakistani army, had famously said in a speech in 2001, "Strategically, we cannot have an Afghan army on our western border which has an Indian mindset and capabilities to take on Pakistan". Taliban is virtually the creation of Pakistan – as a proxy to control Afghanistan, so that India can be kept away and not encircle Pakistan from the north by Afghanistan and from the south by India. As researcher Christian Wagner notes, in the 1990s, the Pakistani military had linked its Afghanistan relations with the Kashmir conflict.

The former Pakistan President General Pervez Musharraf had said in 2015 that the country's intelligence agency ISI had "cultivated" the Taliban to counter the Indians. So, when the Taliban were in power, they were seen as the perfect partner for the Pakistani military. Although viewed as medieval by the West, the Taliban regime was valued in Pakistan as fiercely anti-India and therefore deserving Pakistani arms and assistance. Pakistan's doctrine of "strategic depth" was complemented by its strategy of "asymmetric warfare" — using jihadi fighters for its own ends. Pakistani generals have long viewed the jihadis as a cost-effective and easily-deniable means of controlling events in Afghanistan. The point being made is that Pakistan's geopolitical agenda casts a long shadow on India-Afghanistan relations.

The fact that China shares a border with Afghanistan is important to note. The Chinese project – the Belt and Road Initiative (BRI) – could well be extended into Afghanistan. The project is part of Xi's plans for massive economic heft over other countries besides deepening partnerships in security, trade, and energy that will drive China's growth story in years to come. Considering China's heft – and not to forget Afghanistan and China share border - It doesn't take much imagination to figure out the likely impact a China-Afghanistan strategic cooperation may have on India's influence on Afghanistan. The Afghan President Ashraf Ghani said in an interview to CNN: "We have a lot of positive relationships with China and the growth of China now is going to be the factor as growth of India for regional prosperity,"

#### India-Afghanistan Relationship – A Brief History

India's relations with Afghanistan has been distinctly interlinked with the regime in power. In January 1950, with King Zaheer Shah on the throne, India signed a five-year Treaty of Friendship Afghanistan in New Delhi; following which diplomatic relations were established. Yet when in July 1973, Zaheer Shah was overthrown in a coup by his cousin and Prime Minister, Mohammed Daoud Khan and established Republic of Afghanistan with himself as President and supported by Marxist Leninist party, People's Democratic Party of Afghanistan (PDPA), India not only recognized the new government but signed a trade protocol the next year. This should be seen in the backdrop of the fact India had signed a Treaty of Friendship and Cooperation with the Soviet Union in 1971, in the run up to the war with Pakistan later that year, which led to the creation of Bangladesh out of erstwhile East Pakistan.

Six years later, when a fractious Marxist government of Babrak Karmal's was installed after the Soviet invasion of December 1979, India was the only South Asian country to recognize Democratic Republic of Afghanistan. In the same vein, India was only one among four countries that supported the Soviet intervention even as 34 nations of the Organisation of Islamic Cooperation adopted a resolution demanding "the immediate, urgent and unconditional withdrawal of Soviet troops" from Afghanistan. After the withdrawal of Soviets in February 1989, Afghanistan was embroiled in civil war which did not end even with the formation of Islamic State of Afghanistan in 1992 following the Peshawar Accord in which Pakistan played a dominant role. When the Taliban finally conquered Kabul in September 1996 and established the Islamic Emirate of Afghanistan - which was recognized by only three nations: Pakistan, UAE and Saudi Arabia – India's diplomatic presence in Afghanistan was zero. It was only after the Taliban was driven off following US intervention in 2001 and the Islamic Republic of Afghanistan was restored that India reestablished relations with Afghanistan. So, for all practical purposes, India had no presence in Afghanistan for eleven years: 1989 to 2001.

Hamid Karzai's ascension to power shortly after 9/11 provided a golden opportunity to India. Karzai became the head of state of Afghanistan in December 2001 after the Taliban government was overthrown. Karzai was appointed at the 2002 Loya Jirga as the Interim President of the Afghan Transitional Administration. After the 2004 Afghan presidential election, he became the President of Afghanistan. Karzai hated Pakistan with a passion, in part because he believed that the ISI had helped assassinate his father in 1999. At the same time he felt a strong emotional bond with India, where he had gone to university in the Himalayan city of Simla.

So with Karzai in office, India seized the opportunity to increase its political and economic influence in Afghanistan, re-opening its embassy in Kabul, opening four regional consulates, and providing substantial reconstruction assistance totaling around \$1.5 billion, with an additional \$500 million promised within the next few years. The aid and reconstruction program it set in motion during the 1980s was so generous that it quickly established India as the single largest donor in the country. It was also carefully thought out, praised as one of the best planned and targeted aid efforts by any country. India has built roads linking Afghanistan with Iran so that Afghanistan's trade can reach the Persian Gulf at the port of Chabahar, thus freeing it of the need to rely on the Pakistani port of Karachi.

On 7th July 2008, there was a car bomb attack on Indian Embassy in Kabul that killed 58 and wounded 141. On I August 2008, United States intelligence officials said that the Pakistani intelligence services helped the Haqqani network plan the attack. Then on October 8, 2009, a massive car bomb had been set off outside the Indian embassy in Kabul killing 17 people and wounding 63. Most of the dead were ordinary Afghans caught walking near the target. A few Indian security personnel were wounded, but blast walls built following a much deadlier bombing the previous year which killed 58 and wounded 141—also thought to have been sponsored by Pakistan—deflected the force of the explosion, so that physical damage to the embassy was limited to some of the doors and windows being blown out. In the case of the 2009 attack, American officials went public with details from phone intercepts which they said revealed the involvement of the ISI.

Few months later, on 26 Feb 2010, blasts in two Indian guest houses in Kabul killed 18 people, including 9 Indians. Among them was assistant consul general from the Indian consulate at Kandahar. The operation was soon traced by both Afghan and U.S. intelligence to a joint mission by the Pakistani-controlled Haqqani network, a Taliban-affiliated insurgent group under the

leadership of Jalaluddin Haqqani, and the Pakistan-based anti-Indian militant group Lashkare-Taiba, which carried out the November 2008 assault on the Taj Hotel and other targets in Mumbai. Both the Haqqani network and Lashkar-e-Taiba were believed to take orders from the ISI—Inter-Services Intelligence, which is closely linked to the military. Pakistan made no public comment on the attack, other than to refuse permission for the planes carrying the dead bodies back to India to cross its airspace.

Such attacks were a serious setback to India's efforts to establish a strategic presence in Afghanistan through a wide range of developmental projects. Afghanistan had been a priority area for India's foreign policy, and for its (then) \$1.2-billion development diplomacy in Afghanistan which had earned considerable goodwill from the Afghan population. Soon after the 2009 attack, President Hamid Karzai termed it a "terrorist attack against Indian citizens who are working to help rebuild Afghanistan". So, following the successive attacks on the Indian Embassy at Kabul, one obvious response was to beef up security considerably, and an elaborate plan was implemented. But Indian doctors and engineers working on different projects around Afghanistan were the ones who were most vulnerable. The second response was to engage in a security pact with the government of Afghanistan.

While such attacks were obviously aimed at destabilizing India's presence in Afghanistan, India continued to help build electrical power plants, health facilities for children and amputees, 400 buses and 200 minibuses, and a fleet of aircraft for Ariana Afghan Airlines. India has also been involved in constructing power lines, digging wells, running sanitation projects and using solar energy to light up villages, while Indian telecommunications personnel have built digitized telecommunications networks in 11 provinces. One thousand Afghan students a year have been offered scholarships to Indian universities. India has also played a key role in the construction of a new Afghan parliament in Kabul at a cost of \$25 million. All this led to India becoming enormously popular in Afghanistan: an ABC/BBC poll in 2009 showed 74% of Afghans viewing India favorably, while only 8% had a positive view of Pakistan.

In February 2010, at the London conference to discuss the future of Afghanistan, most countries including the five permanent members of the UN Security Council (the US, the UK, Russia, China, and France) overwhelmingly supported the policy of talking to the Taliban. This stemmed from the assessment that the US and its NATO allies perceived Afghanistan to be a protracted battle and now wanted to look for quick-fix solutions that would help them exit the country early.

For Delhi, it was bad news, as was the snub which kept them on the margins of the London conference. According to the analysts, India was left with few options. It had no say in the international community's "good Taliban" strategy and would continue to engage closely with the Hamid Karzai Government and provincial satraps. In addition, it could use back-channels to try and keep communications open with those Taliban elements who shun violence as they could eventually find space in the political mainstream. India was looking to bolster its security personnel as also its current training programme for Afghan officers.

At the time when India's largest effort-- the 218-km Zaranj-Delaram highway was being built, the ITBP had a presence of around 350 personnel. By 2010, the ITBP had a force of

150 troopers guarding the Indian embassy in Kabul and the consulates at Mazar-i-Sharif, Jalalabad, Herat and Kandahar. A review of the security was to be carried out following Menon's visit. Deploying Indian troops in Afghanistan to safeguard Indian interests had been entirely ruled out. However, a growing consensus was building up within Indian military think tanks for training at least two divisions of the Afghan National Army (ANA). A net assessment presented in February 2010 for the Centre for Joint Warfare Studies (CENJOWS), the think tank for the triservices' HQ Integrated Defence Staff, called for the capacity building of the ANA: "India could offer to pay for and equip and train up to two Afghan divisions-- an artillery and armoured brigade each of the ANA--over and above the sanctioned strength of 1,34,000," said Major General (Retd.) G.D. Bakshi, who headed the study.

In June, 2010, much to the alarm of India—and the U.S.—Karzai decided to attempt negotiations with the Taliban. In preparation for this, Karzai removed his strongly pro-Indian and deeply anti-Pakistani security chief, Amrulla Saleh, a tough, bright Tajik who had risen to prominence as a protégé of Massoud and was viewed by the Taliban and their backers in the ISI as their fiercest enemy. As Bruce Riedel, then President Barack Obama's AfPak adviser, said when the news broke: "Karzai's decision to sack Saleh has worried me more than any other development, because it means that Karzai is already planning for a post-American Afghanistan."

The head of the ISI, Lt. General Ahmad Shuja Pasha, and General Kayani, the head of the Pakistani army, shuttled between Kabul and Rawalpindi, presumably to encourage some sort of accommodation between Karzai and the ISI-sponsored jihadi network of the Haqqanis that would leave Karzai in power in Kabul in return for a more pro-Pakistani dispensation in the south. There was even talk of Pakistan agreeing to help train the troops of the Afghan national army. In the end, however, the reconciliation lasted less than a year.

Kayani and Karzai soon fell out, and in 2011 the pendulum swung the other way when Indian Prime Minister Manmohan Singh visited Kabul, where he signed a strategic partnership deal promising closer cooperation on national security, this time with an agreement to provide light weapons as well as training in counterinsurgency and high-altitude warfare.

In September 2011, former Afghan president Burhanuddin Rabbani was assassinated. While it is not clear if his assassination was part of the same pattern targeting Indians and Indian interests, next month in October 2011, Afghanistan signed its first strategic pact with India. The military assistance was to include training of Afghan security personnel. But even over here, the Pakistan angle was visible. During his visit to India, Karzai told the media that "This strategic partnership is not directed against any country. This strategic partnership is to support Afghanistan." He also stated that "Pakistan is our twin brother, India is a great friend. The agreement we signed with our friend will not affect our brother." He also added that "However, our engagement with Islamabad has unfortunately not yet yielded the result that we want."

It is therefore not just India that may be said to be obsessively concerned over Pakistan. Karzai's statement shows that the shadow of Pakistan loomed over Afghanistan as well. To that end, President Karzai signed the Strategic Partnership Agreement during his visit to India in 2011 that formalized a framework for cooperation in the following areas: 'political & security cooperation; trade & economic cooperation; capacity development and education; and social, cultural, civil society & people-to-people relations'. Most Indian assistance fits into three broad categories: humanitarian assistance, infrastructure projects and capacity building. In the early years, even providing humanitarian aid was difficult because of the intransigence of Pakistan.

For example, the food assistance, in the form of fortified wheat biscuits, was equivalent to around 500,000 tonnes of wheat. The biscuits are processed by the World Food Programme and distributed daily to two million Afghan school children. The wheat shipments were announced in June 2011 but Pakistan prevented wheat transiting through its territory. In March 2012 Pakistan finally allowed 100,000 tonnes of wheat to pass through by road and rail via Karachi. The decision was enabled because, technically, Afghanistan picked up the wheat at Kandla, India, so Afghanistan rather than India was using Pakistani territory for transit. The power distribution line faced similar delays because of Pakistan's refusal of transit rights thus requiring one of India's largest airlift operations.

Apart from the humanitarian and infrastructure project support that India provides to Afghanistan, what is often missed is the soft power India wields through its NGOs and civil society. India's projects in Afghanistan are 'replicas of what India has been able to successfully implement in some part of India or the other'. SEWA trained over 3,000 Afghan 'sisters', and continues to operate despite having suffered two fatal terrorist attacks on its team in Kabul. Similarly, Sarhad, a Pune-based NGO funds educational sponsorships for 50 Afghan students to pursue higher education in India.

While India was the largest regional donor and was executing infrastructure projects in each of the thirty four provinces of Afghanistan, the impression was that these activities wouldn't have been possible if contractors and project implementing authorities didn't have Afghan National Army (ANA) protection. The question that was often raised, what would be the position in the event of Taliban takeover of Afghanistan?

#### Protracted Attempts at Pulling out the NATO and US Troops

The US forces first came to Afghanistan in 2001, to flush out Al-Qaeda fighters, in the wake of the 9/11 attack and the UN sanctioned In 2008, the then U.S. president Barack Obama announced plans to send seventeen thousand more troops to the war zone. Obama reaffirmed his campaign statements that Afghanistan is the more important U.S. front against terrorist forces. He said that the United States would stick to a timetable to draw down most combat forces from Iraq by the end of 2011. As of January 2009 the Pentagon had thirty-seven thousand troops in Afghanistan, roughly divided between U.S. and NATO commands. Obama could not redeem his pledge to withdraw the US troops from Afghanistan.

In 2014, at the end of what was the bloodiest year in Afghanistan since 2001, NATO's international forces - wary of staying in Afghanistan indefinitely - ended their combat mission, leaving it to the Afghan army to fight the Taliban. The US would still have 9,800 troops in

Afghanistan. But talk of their imminent pullout gave the Taliban momentum, as they seized territory and detonated bombs against government and civilian targets. In 2018, the BBC found the Taliban was openly active across 70% of Afghanistan.

President Trump outlined his Afghanistan policy in Aug 2017, saying that though his "original instinct was to pull out," he will instead press ahead with an open-ended military commitment to prevent the emergence of "a vacuum for terrorists." Differentiating his policy from Obama's, Trump said decisions about withdrawal will be based on "conditions on the ground," rather than arbitrary timelines. He invited India to play a greater role in rebuilding Afghanistan while castigating Pakistan for harboring insurgents.<sup>6</sup> Later, he opened up negotiations with the Taliban at Doha, Qatar and offered to pull out most US troops if the Taliban agreed to a cease-fire and peaceful negotiations with other Afghan parties.

The process that Trump started has been fast tracked by Biden administration; so fast tracked that most American troops have already left and continue to leave much before his declared deadline of twentieth anniversary of 9/11, even as Taliban's violence kept increasing, capturing town after town. The United Nations Secretary General's (UNSG) report noted that the security situation in Afghanistan "continued to deteriorate". Between February 12 and May 15, the United Nations recorded 6,827 security-related incidents, a 26.3 per cent increase from the 5,407 recorded during the same period in 2020. This probably was waiting to happen: "I worry most when timelines are attached to their pullout, but not conditions," regrets an Afghan human rights activist. "The Taliban will just wait them out and won't get into substantive issues." It's a view echoed by others.

Orzala Nemat, director of the Afghanistan Research and Evaluation Unit (AREU) also lamented, "I wish President Biden had conditioned the troop withdrawal timeline with zero killings on the ground by all parties between May and September". Of course, the US army had an equally powerful argument: "The US president has judged that a conditions-based approach, which has been the approach of the past two decades, is a recipe for staying in Afghanistan forever." Such an approach only underscored what Ambassador Sood had earlier said, for the United States, it was a withdrawal agreement, not a peace agreement.

On July 2, the US and its allies exited Bagram airbase, the centrepiece of their presence in Afghanistan and the springboard for their operations there. Self-doubts, disgrace, and regret are coursing by Washington after US troops stealthily bolted from Bagram airbase in Afghanistan in the dead of night on July 2 without even informing local Afghan commanders. Pictures of Afghan troops throughout the nation surrendering to Taliban without a battle amid unfolding chaos at Bagram is triggering questions from US lawmakers and security analysts, with dire forecasts about imminent civil war and the return of terrorism to the area as a result of the Biden administration's accelerated withdrawal. Three days after on July 5, Taliban forced over one thousand Afghan troops to flee to Tajikistan even as the militant group takes over 6 key districts in northern Afghanistan. The surge of Taliban wins in northern Afghanistan has caused Germany, Turkey and Russia to close consulates in the region.

The Afghans, hardened by decades of fighting, are hardly shocked as they prepare for the return of civil war. Michael McCaul, a Republican lawmaker revealed that Afghan President

Ashraf Ghani's team warned him the departure of US troops would mark "the year of the jihad" and that President Biden will have to own up the "ugly images" of killings, oppression of women, and a humanitarian crisis. Reuters quotes a mechanic in Bagram: "They came with bombing the Taliban and got rid of their regime - but now they have left when the Taliban are so empowered that they will take over any time soon," he said. "What was the point of all the destruction, killing and misery they brought us? I wish they had never come."

Amid this expression of sadness, there are reports of fierce resistance from some quarters. Women in Afghanistan's Ghor province have taken up arms to defend their motherland against the military organisation. Therefore, while some military analysts feel that Kabul could fall just after the last of the US troops leave by August, others feel that Afghanistan is in for a long and bloody civil war.

#### The Options for India – Dealing with the Taliban

How India fashions its relations with Afghanistan in the emerging scenario where the Taliban is likely to play a dominant if not exclusive role is a critical question. In crafting its relations with a possible Taliban led government, India can ignore the lessons of recent past only at its own peril.

India's antipathy towards the Taliban have been long and deeply etched. It had made no pretense to go along with US and its ally's new version of the emergence of a "good" Taliban. When the Taliban was in power during 1996-2001, India maintained no diplomatic presence, let alone a nodding relationship. Since the US and NATO forces were withdrawing from Afghanistan because it was an unwinnable war leaving the Taliban within sniffing distance from power, where exactly did that leave India? Of the four terms of the so called peace agreement of 29 February 2020, one related to intra-Afghan talks. That encouraged India to emphasize the concept of "Afghan-led, Afghan-owned and Afghan-controlled" peace process. It also helped India to bypass the sticky question of accepting or endorsing Taliban's presence in the peace process consultations.

It is increasingly recognized that India's Afghan outreach, that of developmental aid, people to people contact and so on relied on the security cover provided by the US and its allies. With that gone, the policies of New Delhi will need a serious re-visit. Still, there were strong voices in India's military bureaucratic circles that had a hawkish stance towards Taliban and advocated zero engagement. But as Taliban's ascendancy was transforming into near control, there were voices that favoured interaction.

Speaking at a webinar on Afghan Peace Process organized by India International Centre, Rakesh Sood who was Indian Ambassador to Afghanistan (2005-2008) had made the following observations:

- «What we saw on 29 Feb 2020 was not a peace agreement but a withdrawal agreement
- Four issues were critical to this agreement: US withdrawal, cutting off ties with Al Qaeda by the Taliban, ceasefire, and intra-Afghan dialogue

- The second and third conditions were not fulfilled by the Taliban. The reason for Taliban not cutting off relations with Al Qaeda was easy to see: Taliban had promised to the Al Qaeda that the two groups will remain allies as they have historical ties; and proof of this was the increased level of violence.
- Since nothing is agreed unless everything is agreed, the consequences were there for everyone to see.

Gautam Mukhopadyaya, India's Ambassador to Afghanistan (2010-13) provided another perspective. Talking to news portal The Print, he said US is once again reverting to its old position where it basically ends up leaving Afghanistan to Pakistan, "They did it in when the Soviets left Afghanistan, and they are doing it now when they want to leave Afghanistan ... While on one hand, they fall back on Pakistan when they need them, every US President who has come to power, from President Bush through Obama to Trump also labelled them as the problem. Now again the US seems to be falling back on Pakistan as they get out of Afghanistan".

Figuring out just who the Taliban are requires a bit of a drill-down. First, the 'Taliban' effectively means some 60,000 core fighters, give or take, with several thousand in a situation of flux. Added to that are support groups or facilitators, which some sources number in tens of thousands, as well as local militias who may support them for gain. An increasingly large part of these 'professional' fighters have never known any other life. Others are 'part-time' fighters, going back to till their fields or 'regular' jobs, especially in districts where the Taliban are more or less in control. To both, being a Taliban means more income, and clout in their villages.

Controlling these are district or local commanders, whose job it is to ensure collection of taxes in the name of a 'shadow government'. Services have to be provided to the local population, which in turn ensures the Taliban a steady supply of recruits, ensuring numbers are sustained in the fighting season. Both these tiers can go on fighting till the end of their lives if necessary. But what they want is a move from shadow to substance; and they're likely to get just that in large parts of Afghanistan even if negotiations stall.

Second, there are the Taliban field commanders, who have created their own fiefdoms causing considerable unease in the Leadership Council. It is said that Mullah Baradar opted for "reduction in violence" rather than a ceasefire, since he was uncertain whether commanders would actually obey the leadership. Many have acquired their own "business interests". Field commanders function like corporate honchos, and neither the Taliban leaders nor anyone else can get them to stop fighting unless their interests are assured. The advantage is that their independence gives negotiators a little leeway. The more the divisions, the greater the space for persuasion. But considering the spread in control and interests among different layers of Taliban, it would require different carrots for different levels of commanders

Apart from anything else, India needs to keep four things in mind. First, violence is not only in the DNA of Taliban but it has used violence in both open warfare as well clandestinely to gain and exercise extraordinary power and influence over friend, foe and the populace. Second, the umbilical cord relationship of the Taliban with Pakistan. Third, Pakistan uses this relationship to execute its "asymmetric warfare" strategy to respond to the threat that it perceives from India. In fact, one of India's big ticket projects--the construction of the Afghan Parliament--was delayed by two years because of security fears as no contractors could be finalised. Now the worry was that other projects like the Salma Dam project in the Herat province may also get affected if the security situation worsens.

As far as public knowledge goes, it was in 2019, the then Army Chief and present Chief of Defence Staff (CODS) General Bipin Rawat advocated engagement with Taliban as it cannot miss out "on joining the bandwagon" – different from the official line of "no engagement with the Taliban". Many people are looking at the opportunity to exploit the vacuum that is being created. Afghanistan is a nation which is rich in resources...there are nations that tend to exploit resources for their own benefit without the benefit going to the community of that nation", he said adding that the international community must step in to ensure "Afghanistan is for the Afghans." While he did not name the country, General Rawat was clearly referring to China, which has emerged as the rogue player in global politics.

It was only recently that Qatar's special envoy for counter-terrorism and conflict resolution, Mutlaq bin Majed al-Qahtani, said that he believed the Indian side was engaging with the Taliban as the group is seen as a "key component" in any future government in Afghanistan. While there has been official denial from India's side, there is virtual agreement that India has indeed reached out to at least some elements of Taliban leadership. There is high possibility of civil war in absence of political settlement. Therefore, it appears India is moving to protect its interests by opening a dialogue with the Taliban. This is indeed a huge shift. It is believed that India has opened channels with Afghan Taliban factions and leaders.

The Indian outreach is largely led by security officials and limited to Taliban factions and leaders that are perceived as being "nationalist" or outside the sphere of influence of Pakistan and Iran. The outreach includes Mullah Baradar. This is significant as he signed the deal with then US secretary of state Mike Pompeo in February 2020 that paved the way for the current withdrawal of American troops. Baradar held various posts when the Taliban was in power during 1996-2001.

India's Foreign Secretary Shringla said that "the levels of violence and the fact that despite talks going on in Qatar and other places, Taliban's relentless pursuit of power through violence has made it an uncertain environment in any sense" and the attempt by the Taliban to steadily expand its influence through "targeted assassinations" and "territorial aggression" as reasons for triggering the uncertainty, it shouldn't be surprising if it boomerangs.

Suhail Shaheen, member of the Taliban negotiating team and spokesman of the political office of the Islamic Emirate of Afghanistan (IEA), was quick to say this was a "distortion" of the reality: "That India says Taliban are triggering violence is an effort to distort the ground realities. This undermines their credibility in the Afghan issue," he said. That the Taliban's stand has only hardened is evident from an interview he later gave to CNN-News18:

"As far as the ground realities in Afghanistan are concerned, the Indians are living almost in a vacuum. Furthermore, they look at us from their angle of discrimination, bias and hostility.

This is their origin of perception about us but it has not served them in the long run. They are siding with a foreign-installed government in Kabul which is killing its own people to stay in power. India should remain at least impartial in the Afghan issue, rather than supporting an occupation-born government."

In conclusion, whatever be India's earlier stance vis-à-vis the Taliban, given the fact that they are likely to effectively take control of Afghanistan in the near future, the government needs to find a way to maintain its presence not only as a humanitarian and development aid provider in that country, but also as a stabilizing influence which can perhaps bring various Afghan elements to a negotiating table and work towards eventual peace and progress foe their people.



### India versus China: Why They Are Not Friends

#### A Pointer to a New Book

We begin with a pointer to the new book, India Versus China: Why They Are Not Friends, by Kanti Bajpai, Director, Centre on Asia and Globalisation and Wilmar Professor of Asian Studies at the National University of Singapore.

In the book, Bajpai has laid out four reasons why the two countries are unfriendly to each other: the first is their perceptions of each other. The second is their territorial claims and perimeters. The third is their strategic partnerships, where they tend to be on different, if not opposed, sides. The fourth is the asymmetry of power between them, which is steadily increasing.

You can watch an interview between Kanti Bajpai and Karan Thapar at

https://www.youtube.com/watch?v=V-Um-tpYczo&t=4s

or a discussion that was moderated by former Indian Foreign Secretary and Ambassador to China, Shivshankar Menon, held at the Centre for Social and Economic Policy.

https://csep.org/event/india-versus-china-why-they-are-not-friends/



Of course, this section has many more contributions curated from various sources on the topic of India –China relationship.

#### Can G-7 Realistically Counter China's Military and Economic Influence?

India is not a part of G-7 but this year's host, United Kingdom, invited India to participate the Summit as a guest – which India enthusiastically did, though Prime Minister joined the consultations in virtual mode. This year's G-7 Summit was basically seen as a concerted statement of unity and purpose among European nations to counter the might of China which is seen as to operate like a hegemon. While the current G-7 Summit has raised much brouhaha, Policy Watch raises the question whether it can realistically counter China's military and economic might. We do this by referring to some select pieces available in the public domain. But first a quick look at what the G-7 discussed. Below we present the summary of the communique released after the Summit:

#### 2021 G7 Leaders' communiqué: Our shared agenda for global action to build back better

We, the leaders of the Group of Seven, met in Cornwall on 11-13 June 2021 determined to beat COVID-19 and build back better. We remembered everyone who has been lost to the pandemic and paid tribute to those still striving to overcome it. Inspired by their example of collaboration and determination, we gathered united by the principle that brought us together originally, that shared beliefs and shared responsibilities are the bedrock of leadership and prosperity. Guided by this, our enduring ideals as free open societies and democracies, and by our commitment to multilateralism, we have agreed a shared G7 agenda for global action to:

**End the pandemic and prepare for the future** by driving an intensified international effort, starting immediately, to vaccinate the world by getting as many safe vaccines to as many people as possible as fast as possible. Total G7 commitments since the start of the pandemic provide for a total of over two billion vaccine doses, with the commitments since we last met in February 2021, including here in Carbis Bay, providing for one billion doses over the next year. At the same time we will create the appropriate frameworks to strengthen our collective defences against threats to global health by: increasing and coordinating on global manufacturing capacity on all continents; improving early warning systems; and support science in a mission to shorten the cycle for the development of safe and effective vaccines, treatments and tests from 300 to 100 days.

**Reinvigorate our economies** by advancing recovery plans that build on the \$12 trillion of support we have put in place during the pandemic. We will continue to support our economies for as long as is necessary, shifting the focus of our support from crisis response to promoting growth into the future, with plans that create jobs, invest in infrastructure, drive innovation, support people, and level up so that no place or person, irrespective of age, ethnicity or gender is left behind. This has not been the case with past global crises, and we are determined that this time it will be different.

**Secure our future prosperity** by championing freer, fairer trade within a reformed trading system, a more resilient global economy, and a fairer global tax system that reverses

the race to the bottom.We will collaborate to ensure future frontiers of the global economy and society, from cyber space to outer space, increase the prosperity and wellbeing of all people while upholding our values as open societies.We are convinced of the potential of technological transformation for the common good in accordance with our shared values.

**Protect our planet** by supporting a green revolution that creates jobs, cuts emissions and seeks to limit the rise in global temperatures to 1.5 degrees. We commit to net zero no later than 2050, halving our collective emissions over the two decades to 2030, increasing and improving climate finance to 2025; and to conserve or protect at least 30 percent of our land and oceans by 2030. We acknowledge our duty to safeguard the planet for future generations.

**Strengthen our partnerships** with others around the world. We will develop a new partnership to build back better for the world, through a step change in our approach to investment for infrastructure, including through an initiative for clean and green growth. We are resolved to deepen our current partnership to a new deal with Africa, including by magnifying support from the International Monetary Fund for countries most in need to support our aim to reach a total global ambition of \$100 billion.

**Embrace our values** as an enduring foundation for success in an ever changing world. We will harness the power of democracy, freedom, equality, the rule of law and respect for human rights to answer the biggest questions and overcome the greatest challenges. We will do this in a way that values the individual and promotes equality, especially gender equality, including by supporting a target to get 40 million more girls into education and with at least \$2<sup>3</sup>/<sub>4</sub> billion for the Global Partnership for Education.

We shall seek to advance this open agenda in collaboration with other countries and within the multilateral rules-based system. In particular, we look forward to working alongside our G20 partners and with all relevant International Organisations to secure a cleaner, greener, freer, fairer and safer future for our people and planet.

Like PM Modi, US President Joe Biden also attended the Summit virtually. But does Biden's worldview on G-7 impact India? Policy Watch is privileged to reproduce an insightful piece by Shyam Saran, former Foreign Secretary of India

### As Biden shapes a new US policy, China changes tack on ties with India by Shyam Saran<sup>7</sup>

Biden sees China as more of an economic threat than a security one. The US' stress on transatlantic alliances reflect this.

In his speech at the State Department earlier in February, US President Joe Biden spelt out the priorities for his administration's foreign policy. These included his intention to return the US to active global engagement, work closely with allies, promote multilateralism, and uphold democratic values and human rights. He identified China as a formidable competitor and Russia as a threat but conveyed his intention to compete and, if necessary, confront, while also engaging with them to meet global challenges such as climate change, arms control, non-proliferation and pandemics.

On specific issues, Biden announced an end to US support to Saudi Arabia in the civil war in Yemen and reviving the Iran nuclear deal. India was not mentioned nor was Indo-Pacific. However, the appointment of a key adviser, Kurt Campbell, for the Indo-Pacific, makes it clear that it is a region of considerable importance to the US. The convening of the third ministerial meeting of the Quad, comprising India, the US, Japan and Australia on 14 February, reportedly at the request of American Secretary of State Anthony Blinken, reinforces its criticality.

#### Biden's line on EU, Russia and China

In line with the centrality he has accorded to alliance relationships, Biden attended, on 19 February, an online summit of G-7 countries, all of whom are allies of the US and which, in the past, functioned as a global steering committee of a West-dominated global economic and security order. While the G-7 has been supplanted by the G-20 as the premier international forum for global economic coordination, it continues to be an important consultative platform for Western economies and Japan. In a communique issued after the meeting, the G-7 pledged "to make 2021 a turning point for multilateralism" and to put "our global ambitions on Climate Change and the reversal of bio-diversity loss at the centre of our plans". We may expect the US and Europe to coordinate their positions at the forthcoming Conference of Parties to the UN Framework Convention on Climate Change (UNFCCC) in Glasgow later this year.

Biden elaborated his foreign policy posture in more detail in an important speech he made at the virtual Munich Security Conference on 19 February.What are the key takeaways? He reiterated his intention to revive transatlantic alliances as "the cornerstone of all we hope to achieve in the 21 stcentury". So US-Europe alliance, in particular NATO, will occupy a central place in Biden's foreign policy but whether the Europeans will respond remains to be seen. On competition with China and on the threat from Russia, key European countries have interests different from the US. Despite US requests to delay the European Union-China investment agreement, Germany made certain that it was pushed through. On Russia, too, Germany has resisted calls to halt the Nord Stream pipeline that will bring Russian gas to Europe.

The Munich speech is notable for its ideological flavour. Biden acknowledged that "democratic progress is under assault" and that democracies must confront the notion that "autocracy is the best way forward". This implies greater scrutiny of the democratic credentials of various States including India. The Munich speech spells out Biden's China policy. He says that one must prepare for "long term strategic competition with China" and that this competition will be "stiff". However, he spells out the Chinese threat more in economic rather than security terms, unlike the portrayal of Russia as a security threat. The stress on transatlantic alliance also seems to reflect this even though his Indo-Pacific strategy is clearly directed towards China. Is the Indo-Pacific of lower priority? Time will tell.

#### A better India-US tie

Biden wishes to restore US engagement with multilateral institutions and associate his country with multilateral approaches to global issues. The US has re-joined the Paris Agreement and Biden will convene a Climate Summit on Earth Day this year. He has not only re-joined the World Health Organization (WHO), but also pledged a total of \$4 billion to the WHO's Covid-19 partnership initiative. We will also see the US, Europe and Japan working together to revive and reform the World Trade Organization (WTO).

On both multilateral climate and trade-related issues, India and the US have a record of almost adversarial relations. These must be managed so that they do not affect the more positive components in the relations. There will be pressure on India to sign up to an early peaking year for its carbon emissions and a carbon-neutral year in 2050 like other major economies. Such pledges are not in India's interest without reference to its energy security challenge and its developmental prospects. It is more important for India to formulate an ecologically sustainable strategy of growth that is different from the energy and resource-intensive model adopted by China.

#### China takes a stand

How is China reacting to the latest policy statements from the US and the further crystallisation of the Quad? Chinese Foreign Minister Wang Yi has called for a "reset" in US-China relations and a withdrawal of all US tariffs and trade measures taken against China under Donald Trump. This is unlikely.

On Quad, Chinese media has dismissed the latest meeting as only a "toothless photoopportunity" and sees no prospect of Quad emerging as an "Asian NATO". But more interesting in the wake of the ongoing disengagement of forces at the India-China border is the Chinese view of Indian calculations in joining the Quad. A Global Times editorial claims that it is not in India's interest "to completely tie itself to the US' anti-China chariot" and that "although the US and India need each other to deal with China, they still have their own independent calculations." The article goes on to say: "Although New Delhi is moving closer to Washington, the non-alignment core is still in India's fundamental interests."

A later article by a Fudan professor, Shen Yi, makes this even more explicit: "India is mulling over the idea to ease restrictions on investment from China, as the country is mired in pandemic-induced economic recession". No reference here to what is happening at the border. After accusing India of having gone over to the 'dark (American) side', these latest expectations of India's continuing non-alignment are remarkable. They reflect an effort to get bilateral relations on track again. But that could be a long haul.

Shyam Saran is a former Foreign Secretary and a senior Fellow at CPR. Views are personal.

China predictably was not amused by the going-ons at G-7.Beijing has repeatedly hit back against what it perceives as attempts by Western powers to contain China:

On June 12, 2021, China pointedly cautioned Group of Seven leaders that the days when "small" groups of countries decided the fate of the world was long gone, hitting back at the world's richest democracies which have sought a unified position over Beijing. "The days when global decisions were dictated by a small group of countries are long gone," a spokesman for the Chinese embassy in London said. "We always believe that countries, big or small, strong or weak, poor or rich, are equals, and that world affairs should be handled through consultation by all countries."

Policy Watch ends this conversation by presenting the highlights of a webinar where four of India's foremost experts share thoughts on India-China relations

#### 'China's relationship with India lies in India's external environment'8

Menon was speaking at a panel discussion titled 'India and China: Uneasy Neighbours' along with Lt General SL Narasimhan, Director General, Centre for Contemporary China Studies, and Member, National Security Advisory Board, Government of India; and Yun Sun, Senior Fellow and Director of China Program, Stimson Centre, which was moderated by Gideon Rachman, Chief Foreign Affairs Commentator, Financial Times.



(From left) Shivshankar Menon, former National Security Advisor and former Ambassador to China; Lt General SL Narasimhan, Director-General, Centre for Contemporary China Studies, and Member, National Security Advisory Board; Yun Sun, Senior Fellow and Director of China Program, Stimson Centre; and Gideon Rachman, Chief Foreign Affairs Commentator, Financial Times.

At the second event of the series 'India's Place in the World', a collaboration between The Indian Express and Financial Times, senior policy leaders spoke on India's diplomatic position in the new world order, and its evolving ties with the United States and China. Speaking on how the India-China stand-off in 2020 has put the relationship between the two countries in "crisis", former National Security Advisor and former Ambassador to China, Shivshankar Menon, said that going back to old agreements would not bring back the trust and one has to wonder if the countries can achieve "a new equilibrium" after this. "I don't know what the government is doing — there have been talks, discussions and disengagement — but there are still points where tensions are there. Our Army Chief said the other day that we have almost 50,000 troops along the Line of Actual Control (LAC). Let's see when and how we actually get out of this. Saying we'll restore the status quo is not the answer," he said.

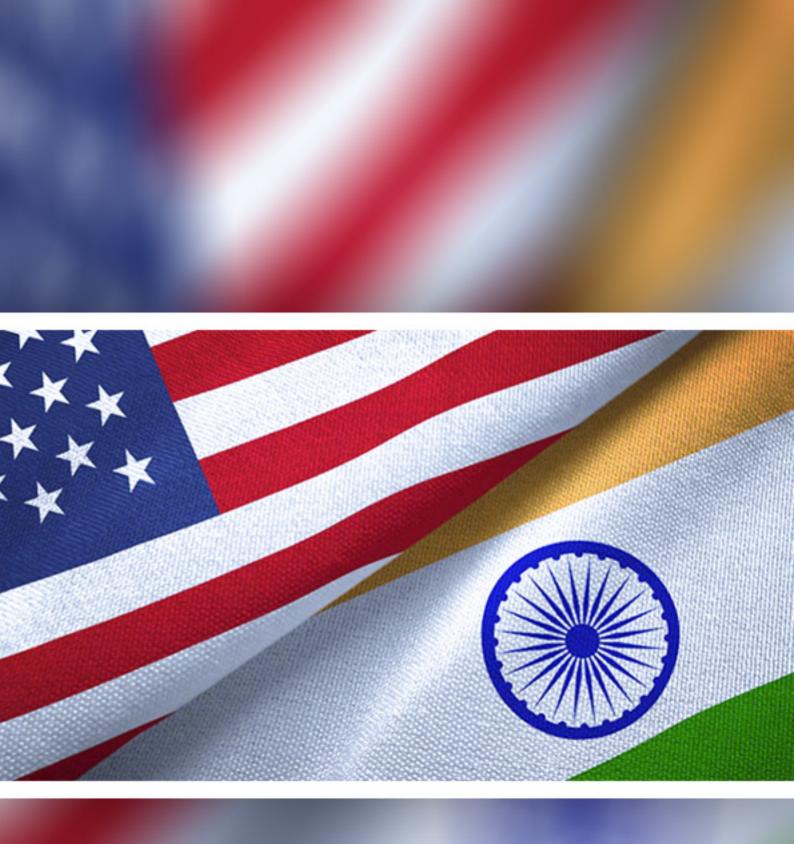
Menon was speaking at a panel discussion titled 'India and China: Uneasy Neighbours' along with Lt General SL Narasimhan, Director General, Centre for Contemporary China Studies, and Member, National Security Advisory Board, Government of India; and Yun Sun, Senior Fellow and Director of China Program, Stimson Centre, which was moderated by Gideon Rachman, Chief Foreign Affairs Commentator, Financial Times. They discussed the fraught relations between the two countries marked by an unresolved border dispute, how New Delhi is restricting Chinese investment and reducing economic dependence, Beijing's growing political influence among India's neighbours in the sub-continent, and how India is drawing closer to China's strategic rivals, including the US.

Yun Sun said that one of the fundamental considerations in China's relationship with India lies in India's external environment and alignment choices, and most importantly, India's relationship with the US. "When we look at their relations and the turbulence in the last couple of years, endogenous factors of that bilateral relationship have hardly changed, whether we look at the border, Tibet, Pakistan or the balance of power in South Asia. What has changed China's position is what I call the exhaustion of external factors and the international environment. So, the Chinese would have believed that because of the Indo-Pacific strategy and the strategic value that the US is willing to attach to put India at its regional status, requires China to take certain actions to show India first that China will not be deterred or blackmailed, and that an alignment with the US will carry a certain cost," she said.

However, Narasimhan and Menon both pointed out that the India-US relation has not been the only issue between India and China, and that tensions have been building up since 2012-13. "There is a risk of overestimating the US factor in India-China relations. My belief is that India-China relations are soui generis and self-driven. It is not a function of who's in Washington or how Washington's relations are with Beijing at any given moment of time, even though that's the way most people tend to look at it, but India-China relations have their own timing, momentum and drivers," said Menon.

"It is one thing to say that India is getting closer to the US but each country does what it wants to do, that suits its requirement... China has gone much closer to Russia than what we would probably like. One can't tell China or Russia to stop doing this. It is all individual countries' own choices, and the way they look at their interests," said Narasimhan. Yun Sun pointed out that from the Chinese perspective, China was believed to be in a "very dangerous and weakened position" internationally in 2020 because of the issue of the origin of the Covid-19 virus. It was blamed and held accountable for this since the beginning of global pandemic, so it was in a particularly provocable state. "It has a direct impact over how Beijing reacted to the border dispute in Ladakh because it felt we are, maybe, being perceived as a troublemaker by the international community, and now it could not be perceived as conceding to India's push along the border," she said.

She also mentioned that China is trying in its own way to improve the relationship with India. "China is trying to back off a little bit from its contentious position last year in order to show that as the largest countries, we should still work together," she said.



# India- US Relations – An Early Reading of the Tea Leaves

We reproduce below several articles from various sources, which together indicate that after the advent of the Biden Administration in the US, the Indo-US relationship has entered a new phase, with some gains and some setbacks. Clear challenges lie ahead for the India-U.S. bilateral ties over military, economic, and climate matters; tensions over democracy and human rights could flare up at any moment

## India is 'incredibly important' partner to United States in the region and globally: White House

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US President Joe Biden (Photo | AP)

PTI, WASHINGTON: India is an "incredibly important" partner to the US in the region and globally, the White House has said, underlining that America is working with the country on wide-ranging issues like economic, strategic and security. White House Press Secretary Jen Psaki on Friday said that the US took a range of steps to help India to deal with the COVID-19 pandemic.

"India is an incredibly important partner to the United States in the region and globally. We work with India on a range of issues, as you well know -- economic, strategic, security," White House Press Secretary Jen Psaki told reporters at her daily news conference. "The United States certainly took a range of steps, as India was at the early stages of dealing with a rise in the pandemic, to help provide a range of assistance, and we will continue to do that moving forward," Psaki said in response to a question.

In April and May, India struggled with the second wave of the Covid-19 pandemic with more than 3,00,000 daily new cases. Hospitals were reeling under a shortage of medical oxygen and beds. In mid-May, new coronavirus cases in India hit a record daily high with 4,12,262 new infections.

In May, President Joe Biden announced USD 100 million worth of COVID-19 assistance to India. The US-India Chambers of Commerce Foundation has raised more than USD 1.2 million for coronavirus-related efforts in India. With a record-breaking fundraising, US-India Chambers of Commerce Foundation has shipped or en route nearly 120 ventilators and over 1,000 oxygen concentrators, a release said on June 3.

Also, India will be a significant recipient of the US vaccines after Biden announced details of his administration's decision to send 25 million COVID-19 shots to countries across the globe. India has been included in both the identified categories - direct supply to neighbours and partner countries, and under the COVAX initiative.

On June 4, Vice President Kamala Harris personally made a call to Prime Minister Narendra Modi to inform him about the administration's decision to send tens of thousands of doses of life-saving COVID-19 vaccines to India.

### Is There Trouble Ahead for the US and India?

By Mike Watson<sup>9</sup>, June 18, 2021



President Joe Biden, joined by Vice President Kamala Harris, Secretary of State Antony Blinken and White House staff, participates in the virtual Quad Summit with Australia, India, and Japan Friday, March 12, 2021, in the State Dining Room of the White House

Credit: Official White House Photo by Adam Schultz

As U.S. Vice President Kamala Harris confirmed in her recent call with Indian Prime Minister Narendra Modi, given that the coronavirus pandemic has receded in the United States, Washington can afford to send more vaccines and other aid abroad and India is at the top of the U.S. list. This is both a humane measure and smart policy: Indians have suffered tremendously throughout the pandemic, with a particularly lethal wave this spring

9 Mike Watson is the associate director of Hudson Institute's Center for the Future of Liberal Society. The article first appeared at https://thediplomat.com/2021/06/is-there-trouble-ahead-for-the-us-and-india/

driving the official death toll above 300,000; the unofficial toll is much higher. India is also an important partner for the United States and is one of the few countries that can act as an effective counterbalance to China and prevent Beijing from dominating Asia.

U.S. and Indian strategists have long recognized this confluence of interests and have worked to strengthen the bilateral relationship, but it has been a difficult process and is likely to remain so. Despite frequent references to the natural alliance between the world's oldest democracy and the world's largest, the ties between New Delhi and Washington are unlikely to ever rival the closeness of the Anglo-American special relationship. U.S. Secretary of State Antony Blinken, who lived in France during his childhood, may find Modi to be as important but difficult to work with as his predecessors found Charles de Gaulle. President Joe Biden can make significant progress with India, but to do so, he will have to set aside some of his other top priorities on Russia, trade, the environment, and maybe even human rights. If he does not, by the end of the year there will be a significant dust-up in Indian-American relations.

One of the most important obstacles that Biden and Modi will have to navigate is in the military sphere. The 2005 civil nuclear agreement was a diplomatic breakthrough that lifted American sanctions related to India's nuclear program and made a strategic partnership possible. Since then, the U.S. has designated India a major defense partner, stepped up sales of military equipment, and negotiated agreements with India to facilitate military logistical and communications coordination. India and the United States form half of the Quad, which is becoming a vitally important network for managing Indo-Pacific affairs.

Despite these promising developments, there are storm clouds on the horizon. Although India was a founding member of the non-aligned movement, it maintained close ties with the Soviet Union during the Cold War and still has close ties with Russia today. In October 2019, India agreed to purchase Russia's S-400 anti-aircraft missile system and is set to receive the first set of deliveries toward the end of this year. The Countering America's Adversaries Through Sanctions Act (CAATSA) requires the U.S. to sanction India for this deal, as NATO member Turkey found out late last year when it was sanctioned. The Trump administration told India that it was unlikely to get a waiver from the law.

Will the Biden administration show more flexibility? Russian propaganda activities during the 2016 election made a tough Russia policy a high priority for Democrats, and Biden has already made significant concessions to Moscow by waiving sanctions on the Nord Stream 2 gas pipeline in Europe and extending the New START arms control agreement. Moreover, the S-400 delivery will add significant complications to India-U.S. military cooperation and will probably prevent India from acquiring top-shelf American aircraft such as the F-35. However, these difficulties are likely to be worse if the U.S. imposes sanctions, so Biden might have to waive the sanctions and accept a hard limit on joint operations as the cost of the Indian decision.

Taking a longer view, boosting the Indian economy is very important for the United States. The OECD recently projected that India's GDP will be nearly 9 percent lower in 2025 than it was expected to be before the pandemic, and Bangladesh recently surpassed it in GDP per capita. A wealthier India is a stronger India, and more growth would make it better able to stand up to China.

A larger Indian economy would also provide Western companies and investors an alternative to China, but only if Biden and Modi can reach an agreement on trade restrictions. Modi's "Atmanirbhar Bharat" call for self-reliance does not bode well for a trade deal, nor does India's last-minute decision to withdraw from the Regional Comprehensive Economic Partnership (RCEP) trade pact, which left Japan alone as the only counter to China in the agreement. India is also altering investment rules that will hurt U.S. companies even more than an earlier 2018 rule change did. Earlier this month, the U.S. announced tariffs on India and other countries for their new taxes on American tech companies, but also a 180-day delay to allow for a negotiated settlement.

The most dramatic showdown may come before that deadline passes. The 26th United Nations Climate Change Conference of the Parties (COP26) will be held in the first half of November, and there could be fireworks in Glasgow between the U.S. and India. India is already the third-largest greenhouse gas emitter and its demand for energy will grow faster than any other country for the next two decades. It has accordingly ruled out a zero-emissions goal, which the energy minister has called "pie in the sky." At Biden's Earth Day summit, he and Modi announced a new green energy partnership, but Modi did not otherwise change any of the policies that are likely to lead to a 50 percent increase in emissions by 2040. If Modi holds firm in November, what will Biden do?

The military, economic, and climate policy controversies are already set on a fixed timeline, but tensions over democracy and human rights could flare up at any moment. While on the campaign trail, Biden expressed deep concerns about the Indian government's treatment of its Muslim minority, particularly in Kashmir, as have prominent progressive Democrats like Senator Bernie Sanders. Muslims are not the only religious minority who could cause friction between U.S. human rights champions and the Hindu nationalist government, however: India has also cracked down on Christian organizations, such as the aid and development group Compassion International. If they intensify this activity, it could start to unsettle Christian leaders in the U.S., particularly Evangelicals who wield significant heft in the Republican Party. If New Delhi is not careful, it could break up the strong bipartisan support for the relationship (the Senate India Caucus has 31 members) and create instead a bipartisan opposition to closer ties.

Although many of the Indian elite speak English and the country shares with the United States a history of colonization by Great Britain, Washington has substantial disagreements with New Delhi that will be hard to manage. Nevertheless, the Biden administration has to get this right: India has the potential to be an important contributor to Asian security and prosperity, and this relationship is too valuable to lose.

#### **Biden Administration and Human Rights - Implications for India**

Much before Joe Biden assumed the office of President of United States (POTUS) on January 20, 2021 his strong views on human rights were well known. This was natural given the contrast in the images of two presidential candidates, Trump and Biden. Under Trump, United States had exited from UN Human Rights Council while Biden had pledged during his election campaign that if elected he'd ensure the return of US to the august body.

There was an element of continuity and credibility here: during Joe Biden's long career in the US Senate, he established a record of supporting human rights as a goal of American foreign policy. Third, was the divergent approaches of the two on foreign policy: Trump was isolationist, and with his 'America First' slant favoured bilateralism over multilateralism. Biden was the opposite. Actually, in a In a lengthy article published in the March-April 2020 edition of Foreign Affairs, Biden set out his foreign policy vision to restore the US "at the head of the table" and in "a position to work with its allies and partners to mobilize collective action on global threats."

It was not just Joe Biden. Kamala Harris, his running mate had equally strong views, if not more. Actually, Harris had participated in many Congressional hearings where strong objections were raised against India's human rights record. So, it was almost given that with the Biden administration in place, human rights would be an issue of some concern, and possibly cause some tension, in bilateral relations between India and United States.

On March 30, 2021, US Department of State, Bureau of Democracy, Human Rights and Labor released 2020 Country Reports on Human Rights Practices: India. While the previous year's report had said that India had `significant human rights issues', the Trump administration didn't make that an issue, except when Zalmay Khalilzad made an airdash to Delhi the very next after abrogation of Article 370. Khalilzad was at that time at intra-Afghan consultation at Doha following the peace agreement he had signed with the Taliban.

But the release of this year's report caused some flutter. Policy Watch presents a snapshot of developments.

Home Reports Bureau of Democracy, Human Rights, and Labor2020 Country Reports on Human Rights Practices India - US Department of State, March 30, 2021

India is a multiparty, federal, parliamentary democracy with a bicameral legislature. The president, elected by an electoral college composed of the state assemblies and parliament, is the head of state, and the prime minister is the head of government. Under the constitution, the country's 28 states and eight union territories have a high degree of autonomy and have primary responsibility for law and order. Electors chose President Ram Nath Kovind in 2017 to serve a five-year term, and Narendra Modi became prime minister for the second time following the victory of the National Democratic Alliance

coalition led by the Bharatiya Janata Party in the 2019 general election. Observers considered the parliamentary elections, which included more than 600 million voters, to be free and fair, although there were reports of isolated instances of violence.

The states and union territories have primary responsibility for maintaining law and order, with policy oversight from the central government. Police are under state jurisdiction. The Ministry of Home Affairs controls most paramilitary forces, the internal intelligence bureaus and national law enforcement agencies, and provides training for senior officials from state police forces. Civilian authorities maintained effective control over the security forces. Members of the security forces committed some abuses.

Significant human rights issues included: unlawful and arbitrary killings, including extrajudicial killings perpetrated by police; torture and cases of cruel, inhuman, or degrading treatment or punishment by some police and prison officials; arbitrary arrest and detention by government authorities; harsh and life-threatening prison conditions; political prisoners or detainees in certain states; restrictions on freedom of expression and the press, including violence, threats of violence, or unjustified arrests or prosecutions against journalists, use of criminal libel laws to prosecute social media speech, censorship, and site blocking; overly restrictive rules on nongovernmental organizations; restrictions on political participation; widespread corruption at all levels in the government; lack of investigation of and accountability for violence against women; tolerance of violations of religious freedom; crimes involving violence and discrimination targeting members of minority groups including women based on religious affiliation or social status ; and forced and compulsory child labor, as well as bonded labor.

Despite government efforts to address abuses, a lack of accountability for official misconduct persisted at all levels of government, contributing to widespread impunity. Investigations and prosecutions of individual cases took place, but lax enforcement, a shortage of trained police officers, and an overburdened and underresourced court system contributed to a low number of convictions. Separatist insurgents and terrorists in the Union Territory of Jammu and Kashmir, the Northeast, and Maoist-affected areas committed serious abuses, including killings and torture of armed forces personnel, police, government officials, and civilians, and recruitment and use of child soldiers.

The government continued taking steps to restore normalcy in Jammu and Kashmir by gradually lifting some security and communications restrictions. The government released most political activists from detention. In January the government partially restored internet access; however, high-speed 4G mobile internet remained restricted in most parts of Jammu and Kashmir. The government began a process to redraw electoral constituencies but did not announce a timeline for local assembly elections. Local district development council elections took place in December in which a coalition of Kashmiri opposition parties won the majority of seats. For detailed report, see PDF file available at the State Department's website The publication of the above report by US State Department caused immediate consternation in official quarters in India as is evident from the following media report:

## 'There must be proper understanding of developments in India': MEA on US human rights report<sup>10</sup>

The report had identified unlawful, arbitrary killings and detentions, and restrictions on freedom of expression and press as some of the concerns in India.

The Ministry of External Affairs on Friday dismissed a United States report flagging human rights concerns in India. "This is clearly an internal exercise of the US government," foreign ministry spokesperson Arindam Bagchi said during a press briefing. "We are not a party to it. There should be a proper understanding of developments in India."

The US State Department had on Tuesday released the 2020 Country Reports on Human Rights Practices. The report identified "unlawful and arbitrary killings, arbitrary arrest and detention by government authorities, overly restrictive rules on non-governmental organisations, violence against women and minorities and restrictions on freedom of expression and the press" as some of the concerns in India.

"There were several instances in which the government or actors considered close to the government allegedly pressured or harassed media outlets critical of the government, including through online trolling," the report said. "There were also reports of extremists perpetrating acts of killing, violence, and intimidation against journalists critical of the government."

The report also spoke about the detention of Jamia Millia Islamia student Safoora Zargar in connection with the large-scale communal violence that took place in Delhi last year as well as the arrest of activist Umar Khalid.

The US State Department report highlighted the "serious abuses" of terrorists in Jammu and Kashmir and the North East, "including killings and torture of armed forces personnel, police, government officials, and civilians, and recruitment and use of child soldiers".

The report also noted the steps taken by the Centre to restore normalcy in Jammu and Kashmir."The government released most political activists from detention," it said."In January, the government partially restored internet access; however, high-speed 4G mobile internet remained restricted in most parts of Jammu and Kashmir. Local district development council elections took place in December, in which a coalition of Kashmiri opposition parties won the majority of seats." US Secretary of Defense Lloyd Austin had visited India last month. Austin said that he had discussed human rights violation in India, "especially against Muslim minorities in the northeast", with the ministers of the Narendra Modi-led government.

Ahead of his visit, United States Democratic Senators Bob Menendez had written to Austin, asking him to raise "democracy and human rights concerns" in his discussions with the Indian government. Mendez citied the crackdown on the farmers protesting against the new

agricultural laws and intimidation of journalists under the Modi regime, saying these indicators had only underscored the "deteriorating situation of democracy" in India. Last month, some reports by international organisations raised concerns about the steady subversion of democracy and erosion of civil rights in India under Narendra Modi's regime.

The US-based non-government organisation Freedom House's report on political rights and civil liberties lowered India's status from "free" in 2020, to "partly free" this year. It said that the situation "deteriorated since Narendra Modi became prime minister in 2014" and the decline only "accelerated after Modi's reelection in 2019."

Sweden based-research instituteVarieties of Democracy (V-Dem) Institute's report, meanwhile, said that India has turned into an "electoral autocracy". It said India's autocratisation process has "largely followed the typical pattern for countries in the 'Third Wave' over the past ten years: a gradual deterioration where freedom of the media, academia, and civil society were curtailed first and to the greatest extent".

India dismissed these reports, saying that the country does not need approval or tedious moral lectures from a "set of self-appointed custodians of the world".

It is one thing for India to dismiss a Congressional report but quite another when a senior government official of the Biden administration speaks on it. Policy Watch therefore reproduces a short piece by US based India correspondent, Chidananda Rajaghatta:

## US official: Concern over Indian actions not consistent with its democratic values<sup>11</sup>

Chidanand Rajghatta / TNN / Updated: Jun 13, 2021

WASHINGTON: Apprehensions in New Delhi that human rights and civil liberties issues will come to the fore in a Biden administration was vindicated this week when a senior US administration official expressed concern about recent actions of the Modi government that he said do not conform to the country's democratic values.

"India remains the world's largest democracy with a strong rule of law and independent judiciary and enjoys a strong and growing strategic partnership with the United States. However, some of the Indian government's actions have raised concerns that are inconsistent with India's democratic values," Acting Assistant Secretary of State for South and Central Asia Dean Thompson told a Congressional panel hearing testimony on democracy in the Indo-Pacific region.

"This includes increasing restrictions on freedom of expression and the detention of human rights activists and journalists," Thompson told the sub-committee, adding the US regularly engages in and on these issues, including the important work of civil society. Increased detention and prosecution of journalists and civil liberties activists in India is drawing attention of their counterparts in US who have found voice in the Biden administration after such issues were sidelined during the Trump era. Administration officials and lawmakers too have raised the issue tactfully and in context.

Although the panel heard testimony on poor human rights record in the region, including in China and Pakistan, India is held to a higher standard given its democratic credentials. The broader sentiment at the hearing though remained in favor of a strong US-India partnership particularly in the light of China's belligerence, a view Thompson agreed with.

Now the question is, in real terms, what effect the above exertions will have on bilateral relations between India and United States? Would there be sanctions, or withdrawal of some concessions, or withdrawal of support in some fora, or behind-the-scene tough talking? Realpolitik indicates that in practice, many pious utterances are only half met. Two recent examples after Biden took over suffice. First, while Biden had pledged to make Saudi Arabian prince involved in the torture and murder of journalist Jamal Ahmad Khashoggi into a "pariah", only mild action followed. The same goes for Biden exempting human rights considerations for extending massive military aid to Egypt. ... Perhaps the imperatives of balancing other considerations in the India-US relations will lead to this issue being put on the list of "mentioned in passing" topics.



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