

INTERVIEW **GUIDANCE 2021**

CURRENT AFFAIRS & MAJOR DEBATES

INTERNATIONAL RELATIONS



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The Pandemic Induced BRI: Then, Now and What Next?

Context:

The unsought impact of the pandemic has dampened the BRI ambitions to a large extent, but Beijing is still resolved to go ahead with it while trying to get the economy back on track.

China's Plan for its Silk Road:

- The plan was two-pronged:
 - ➤ Silk Road Economic Belt over the land
 - ➤ Maritime Silk Road
- They are collectively known as **Belt and Road Initiative or One Belt One Road project (OBOR).** It is aimed to enhance the physical infrastructure for development cooperation across several countries in **Asia, Europe, Africa, and even Latin America.**
- It has the potential to expand China's export markets, promote the **Renminbi (RMB)** as an international currency, and the reduction of trade frictions like tariffs and transport costs.





Role of India:

- India is trying to convince countries that BRI is a plan to dominate Asia.
- Its a geo-economics strategy to create unsustainable loans for its Indian Ocean Region neighbours.
- The USA views India as a counterweight to China's intention to dominate Asia.
- India needs to be aware of military dimensions of BRI.

Changes due to the pandemic:

- The dependency on the Chinese manufacturing sector had started to hurt global economic growth.
- A direct comparison can be made between the **2003 SARS outbreak** when China used to contribute around 4 percent of global out, which has now blow up to 16 percent in 2020.
- As a result of allegations made over China for originating the SARS-CoV-2 virus and mishandling the crisis, foreign investors have started showing a shift in their manufacturing activities to countries like India, Thailand, the Philippines and Bangladesh.

Decline in Chinese investments:

- In 2020, a slump of 54.5 percent has been observed in the Chinese investments in the BRI countries if compared to the investments made in 2019.
- It has dropped to the US \$47 billion. Non- BRI countries are the ones that have witnessed a stark decline of about 70 percent in Chinese investments.

Approaching Debt Crisis for the participating nations:

- Long term debt for the participating countries, especially in the developing and underdeveloped region of Southeast Asia and Sub-Saharan Africa.
- The situation gets worsened by the additional financial burden brought by the pandemic. The outstanding debt owed to China includes—Pakistan (US \$20 billion), Angola (US \$15 billion), Kenya (US \$7.5 billion), Ethiopia (US \$6.5 billion), and Lao PDR (US \$5 billion).
- Another reason to worry about is the internal financial insecurity surrounding the participating countries which are grappling with the high public external debt and debt owed to China.
- The Republic of Congo, Djibouti, and Lao PDR have the highest Chinese debt-to-GNI (Gross national product) ratio.
- The 70 percent control of Hambantota port in Sri Lanka is leased to China for 99 years, strengthens its 'debt-trap diplomacy'.
- It is expected that many countries are going to approach China for debt relief to bring the pandemic under control.

What is the future holding in its hands?

27 European Union members are strategizing new global connectivity, characterised as "a geostrategic and global approach to connectivity" for the EU to tackle BRI.



- The European Union (EU) has approved the "EU Strategy for Cooperation in the Indo-Pacific", highlighting its strategic focus and actions with an aim towards "regional stability, security, prosperity and sustainable development".
- These are sending strong signals of BRI alternatives.
- The Build Back Better World (B3W) Initiative for global infrastructure development by G7 nations, to counter China's BRI. It will focus on four key areas: climate, health, digital technology and gender.
- It is aimed at catalysing infrastructure development in low and middle-income countries.

Hurdles on its face:

- High competition and saturation in Chinese domestic markets, and the emergence of India as one of the largest potential markets.
- Indian markets are extremely similar to that of the Chinese markets, and this has led the Chinese investors to believe that there is ample scope to succeed if the scale economies are harnessed adequately in India.
- The labour costs in China have also plummeted in the last three decades which has made 'off-shoring' necessary for various sectors to keep product prices competitive in the global markets.
- In the mid of pandemic and given the slump in its economic growth, further adding the criticism that it is facing from the global community aggravates the situation.
- Corruption, lack of financial transparency, unfair loan conditions, fears of debttraps, and negative social and environmental impacts are the other problem that this mega-infra project is embroiled with.

Possibilities for China:

- BRI partners have already started asking for debt relief, and chances look slim that they are
 going borrow heavily for mega infrastructure projects anytime soon. Shrinking capital will
 require Beijing to cut on BRI projects, and healthcare investment (China's Health Silk
 Road) may be more cost-effective in reaching partner countries.
- Its competitors, including India, are trying to contest its public health outreach. It is not hidden that countries in South Asia do not have an alternative to China when it comes to building their healthcare sector. The success of **China's Health Silk Road** will depend on how quickly it can roll it out in the subcontinent.
- It can also share advances in gene-based research in biomedical technology and collaborate on telemedicine. Real-time communication will be required, which opens opportunities for Chinese companies offering 5G services.

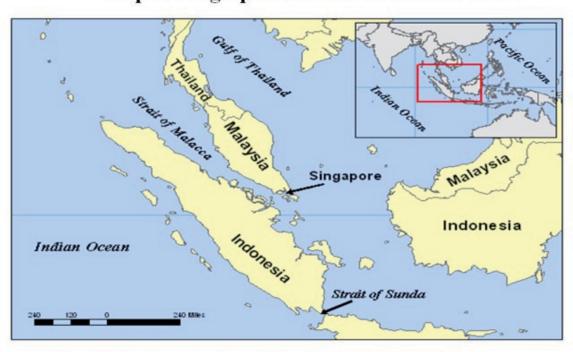
2

China's first railway link to Indian Ocean

Context:

The first shipment of the newly launched railway from the Myanmar border to the main commercial centre in Chengdu in western China has been made recently.





Map 1: Geographic Location of Malacca Strait

Source: Malacca Strait cooperation. (2012). Retrieved Jan 11, 2015, from http://www.marsecreview.com/2012/07/malacca-strait-cooperation/

About New Corridor

- The new trade corridor connects the lines of goods into Singapore, Myanmar and China, and is currently the best land and sea port linking the **Indian Ocean** to south-western China.
- China also has plans to build another port in **Kyaukphyu** in **Rakhine state**, **Myanmar**, including a proposed railway line from **Yunnan** (**China**) to the port, but progress has been halted by the Myanmar wars.
- China plans to develop the region in Myanmar as a place for 'border economic cooperation' under the **Belt and Road Initiative (BRI)**.
- It is expected to be the mainstay of international trade with China, while providing a source of revenue for Myanmar.
- This trading post is another direct Chinese route to the Indian Ocean.
- The first to be at the port of Gwadar in Pakistan.
- This trade route is China's alternative to the "Malacca Dilemma".
- Malacca Dilemma is a name coined in 2003 by then-Chinese President Hu Jintao.
- This means China's fears of a sea embargo on the Straits of Malacca. As most of China's oil imports pass through the Straits of Malacca, a sea blockade here could cripple China's economy.

China's Belt and Road Initiative (BRI)

What is BRI?

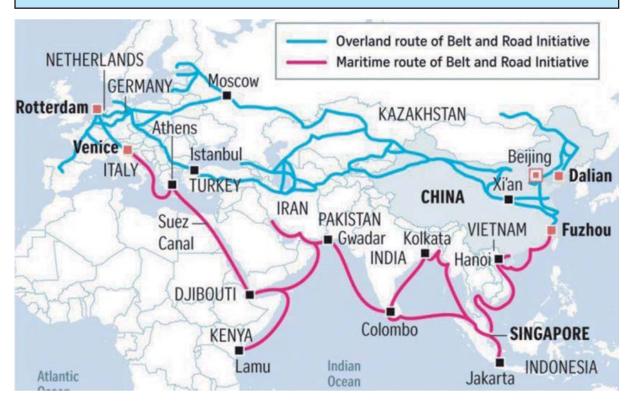
- The **Belt and Road Initiative**, reminiscent of **Silk Road**, is a major infrastructure project that will travel from East Asia to Europe.
- Launched in: 2013



- The program has two sides:
 - Silk Road Economic Belt
 - Maritime Silk Road
- These both collectively were first named as the One Belt, One Road program but eventually became the Belt and Road Initiative.
- The project involves creating a large network of railways, pipelines, highways, and cross-border planning.

Pakistan and BRI:

- To date, more than 60 countries accounting for two thirds of the world's population have signed projects or expressed interest in doing so.
- Analysts estimate that the largest to date is the China-Pakistan Economic Corridor estimated at 60 million, a series of projects involving China and Pakistan's Gwadar Court in the Arabian Sea.



China's development plan on other ports

About Gwadar Port:

- ► Gwadar is being developed as part of the CPEC in the remote and western region of Xinjiang.
- ➤ Gwadar has long been called the site of a Chinese base suitable for the operation of the **People's Liberation Army Navy (PLAN)**.
- ➤ China is following the concept of "strength strategies" in which foreign strategies contain regional strategies for trade firms used by Chinese firms that could be used by their military.
- ➤ Such "strong points" provide an opportunity for China to build a network of supply, distribution and testing facilities near the **Indian Ocean**.
- ➤ This is called **String of Pearls theory.**



Gwadar is important in China for three reasons:

- One to establish a direct link to the Indian Ocean via CPEC.
- The second factor is that Gwadar helps to strengthen or stabilize western China, a region where China feels threatened by the Islamic State.
- In addition, Gwadar is 400 kilometres from the main **Hormuz Strait** (linking the Persian Gulf with the Gulf of Oman to the Arabian Sea), where 40% of Chinese flow oil.

What does China hope to achieve?

- China has both economic and economic reasons behind the plan.
- The country has promoted China's more powerful vision, while reducing growth and trade relations with the United States and pressuring the country's leadership to open new markets for its goods.
- Experts see the BRI as one of the main targets of the Chinese superpower under Xi, alongside a strategic economic development plan developed in Made in China 2025.
- The BRI also serves as a backlash against the much-anticipated "pivot to Asia", as well as China's approach to creating new investment opportunities, developing export markets, and boosting China's revenue and domestic consumption.

Results in India:

- China's economic stakes on the **Bay of Bengal** and on this new trade route show greater maritime presence and maritime involvement in the region which also strengthens the pearl policy by China.
- In addition to this trade route with **China Pakistan Economic Corridor (CPEC)**, China is also planning the **China-Nepal Economic Corridor (CNEC)** which will link **Tibet to Nepal.**
- The end of the project will affect the boundaries of the Gangetic plain.
- So the three channels mean economic growth and strategic growth in China on the Indian subcontinent.

3

Minilateralism: Weighing the Prospects for Cooperation and Governance

Context:

- The Colombo Security Conclave (CSC) held in Colombo, Sri Lanka led to the discussion between India, Sri Lanka, and the Maldives on security cooperation across "four pillars" including maritime security, human trafficking, counterterrorism, and cybersecurity.
- CSC has hinted towards the idea of 'minilaterals'.

What is Minilaterals?

- Minilaterals (or plurilateral, as referred to in trade policy jargon) refer to informal and more targeted initiatives intended to address a "specific threat, contingency or security issue with fewer states (usually three or four) sharing the same interest for resolving it within a finite period of time."
- It focuses on gathering the "critical mass" of members necessary for a specific purpose, in contrast to the broad and inclusive approach associated with multilaterals.



- For illustration,
 - ➤ Multilateral: the WTO would be a multilateral framework for international trade regulation
 - ➤ Minilateral: a minilateral would be the Regional Comprehensive Economic Partnership (RCEP)—a free trade agreement among Asia-Pacific countries

Multilateralism

In contrast, multilateralism is defined as a "formal effort by three or more states to build trust and avoid conflict by identifying, institutionalizing and observing rules and norms for a common vision of regional or international order."

What are the major features of minilaterals?

- Certain features are frequently associated with minilaterals:
 - ▶ they have a small number of participants
 - they are ad hoc
 - > their outcomes and commitments are voluntary in nature

How minilateral cooperation is being witnessed nowadays?

 Minilateral cooperation is being witnessed on all vital themes for international cooperation, such as climate change, economic cooperation, trade, connectivity, financial regulation, and security.

Why this concept is significant?

- Achieving of specified goal: The creation of the smallest group necessary to achieve a particular goal.
- **Soft mechanism:** It is a turn from formal treaties to non-binding accords and other soft-law mechanisms.

For regulating financial markets, regulators and countries now lean towards informal mechanisms such as the **Basel Committee** and the **Financial Stability Board**, which tend to adopt "soft law" methods.

- Easy & simple: It is associated with ease and simplicity.
- Voluntary arrangement: These arrangements are voluntary, and follow a bottom-up approach.
- **Better decision making and coordination:** With a smaller membership, they can expedite decision-making and facilitate policy coordination on important focus areas.

Disadvantages of multilateralism

- Large organisations with formal institutional structure, international bureaucracies, and heterogenous membership, can face hurdles that impede prompt decision-making.
- Too many frameworks can lead to:
 - > fragmentation of action
 - dilute outcomes
 - weaken cooperation on global issues



Why shifting towards minilateralism is beneficial for India?

- There is growing importance of strategic alliances over global cooperation. These initiatives can facilitate the creation of **issue-specific partnerships** between like-minded countries.
- For instance, minilaterals can provide a forum to strengthen defence and security cooperation in new regional theatres, such as the **Indo-Pacific**.
- Because of the importance of security cooperation in this region, a range of minilaterals have been created to advance the interests of like-minded countries, such as
 - the Quad
 - ▶ the India-Japan-US trilateral
 - > the India-France-Australia trilateral
- They also provide an avenue for participation of countries like India, who lack a similar decisionmaking capacity in forums like the UN Security Council.



Why the US has changed its mind on Nord stream 2 pipelines?

Context:

In the latest Development, the United States gave its approval for the completion of Nord 2 Pipeline, a major new gas pipelines project between Russia and Germany.

What is Nord Stream 2 Pipeline Project?

- Nord Stream 2 is an underwater twin pipeline that would transport natural gas from Russia directly to Germany.
- At a length of 1,230 kilometres, it is to follow the route of the existing Nord Stream twin pipeline underneath the Baltic Sea.
- It will carry 55 billion cubic meter of gas per year.
- The pipeline crosses into the exclusive economic zones of five countries: Russia, Germany, Denmark, Finland, and Sweden.
- It would transport natural gas from Russia directly to Germany.
- Natural gas is a lower-carbon fuel that can replace other fossil fuels in the energy mix and deliver a reliable output to complement intermittent renewable energy.

Quick facts of the Project

- Nord Stream 2 is being built by Nord Stream 2 AG, a consortium incorporated in Switzerland.
- Moscow-based, state-owned Gazprom is the project's sole shareholder.

How will it be done (the process)?

- **Gas source:** The gas that the pipeline is to carry lies in northern Russia's Yamal Peninsula, which holds nearly 5 trillion cubic metres of gas reserves.
- **Extraction and transportation:** Once extracted, the gas is to be transported to coastal Russia.



- **Pipeline:** There, it is to pass through a compressor station a facility that raises the pressure of the fuel and then be fed into the pipeline.
- **Flow:** After entering into the Gulf of Finland, the pipeline is to re-emerge on land in north-eastern Germany, near Greifswald.
- Russia, Germany, Finland, Denmark and Sweden have granted all the permits necessary for construction of the planned pipeline within their jurisdictions.

The original project

- The original Nord Stream pipeline, with an annual capacity of 55 billion cubic metres (bcm), was finished in late 2012.
- The pipeline system's total capacity is set to double to 110 bcm following Nord Stream 2's completion.

Current status of project-:

 The pipeline falls in German and Danish Territory, and all but 150 km pipes for the project have already been laid.

Facts about Russia Energy Reserve-:

- Russia has the largest known natural gas reserves of any state on earth.
- This is the 32% of world proven natural gas reserves mainly owned and operated by Russian monopoly Gazprom, which produces 94% of Russia's natural gas Production.

Significance of the project-:

- The pipeline will help Germany secure a relatively low-cost supply of gas amid falling European production.
- It is also part of Gazprom's decade long efforts to diversify its export options to Europe as a region moves away from nuclear and coal.

Reasons behind the US's earlier stand:

- More power to Russia: US fear that the Baltic pipeline would give Russia too much power over European gas supplies. It will lead to handing of a wider market and geopolitical power at a politically precarious time by Russia.
- **EU's dependency on Russia**: The Nord 2 project would increase Europe's dependence on Russia for Natural gas, thus boldening its President Vladimir Putin.
 - Currently, EU countries already rely on Russia for 40% of their gas needs.
 - The EU's domestic gas production is in rapid decline. To meet demand, the EU needs reliable, affordable and sustainable new gas supplies.

Why Ukraine is opposing the project?

- **Elimination of middleman nation (Ukraine):** There is an existing land pipelines between Russia and Europe that runs through Ukraine, which feels that once Nord stream 2 is completed, Russia could Bypaas the Ukrainian pipeline, and deprive the country of lucrative transit fees of around 3 billion Dollar per year.
- **Nation isolation:** Bypassing Ukraine with the new pipeline, will isolate the nation and make it weak.



Why US changed its mind now?

- The US-Germany deals Lays out that if Russia attempts to "use energy as a weapon or commit further aggressive act against Ukraine".
- Germany will take steps on its own and push for the actions at the EU including Sanction", to limit Russian export capabilities to Europe in energy sector".

5

US in Afghanistan

Context:

Former US President George W. Bush has labelled the withdrawal of US and NATO troops from Afghanistan "a mistake", he told that he fears for the fate of women in Afghanistan after American and NATO troops leave the country.

Timeline of events spanning nearly two decades

Year	Event Description
2001	Al-Qaeda operatives hijack four commercial airliners, crashing them into the World Trade Centre in New York and the Pentagon in Washington, DC.
2001	President George W. Bush signs into a law which was authorizing the use of force against those responsible for attacking the United States on 9/11.
2001	The U.S. military, with British support, begins a bombing campaign against Taliban forces, formally launching Operation Enduring Freedom in full swing.
2001	After the fall of Kabul in November 2001, the United Nations invites major Afghan factions to sign the Bonn Agreement. The agreement had instated Karzai as interim administrative head, and creates an international peacekeeping force to support security situation in Kabul.
2002	President George W. Bush calls for the reconstruction of Afghanistan. The U.S. Congress appropriates over US\$38 billion in reconstruction and humanitarian backing to Afghanistan from 2001-09.
2003	The North Atlantic Treaty Organization (NATO) assumes control of international security forces (ISAF) in Afghanistan, expanding NATO/ISAF's role across the country.
2004	An assembly of 502 Afghan delegates agrees on a constitution for Afghanistan, creating a strong presidential system intended to unite the country's various ethnic groups.
2004	In historic national balloting, Karzai becomes the first democratically elected head of Afghanistan.
2005	More than six million Afghans turn out to vote for the Wolesi Jirga (Council of People), the Meshrano Jirga (Council of Elders), and local councils. Considered the most democratic elections ever in Afghanistan because nearly half voters were women



2006	Violence increases across the country during the summer months, with intense fighting erupting in the south in July. The number of suicide attacks quintuples from 27 (2005) to 139 (2006).
2008	Afghan and UN investigations find that errant fire from a U.S. gunship killed dozens of Afghan civilians, drawing condemnation and bolstering Taliban claims that coalition forces are unable to protect the population.
2009	President Obama announces a new strategy for the war effort, linking success in Afghanistan to a stable Pakistan.
2010	At a summit in Lisbon, NATO member countries sign a declaration agreeing to hand over full responsibility for security in Afghanistan to Afghan forces by the end of 2014.
2011	On May 1, 2011, al-Qaeda leader Osama bin Laden, responsible for the 9/11 attacks in New York and Washington, is killed by U.S. forces in Pakistan
2011	The U.S. war in Afghanistan marks its tenth anniversary, President Barack Obama plans to withdraw all combat troops by 2014.
2012	Taliban strikes a deal to open an office in Qatar. But after 2 months, the Taliban suspends preliminary talks, accusing US of reneging on prisoner swap
2013	Afghan forces take the lead in security responsibility nationwide as NATO hands over control of the remaining ninety-five districts.
2014	President Barack Obama announces a timetable for withdrawing most U.S. forces from Afghanistan by the end of 2016.
2017	Taliban appears to be as strong as ever, and the U.S. military describes the war as a stalemate. Kabul experiences suicide bombings on a scale never before seen, while the Taliban control or contest more than a third of the country.
2020	U.S. envoy Khalilzad and the Taliban's Baradar sign an agreement that paves the way for a significant drawdown of U.S. troops in Afghanistan and includes guarantees from the Taliban that the country will not be used for terrorist activities.
2021	President Biden announces that the United States will not meet the deadline set under the U.STaliban agreement to withdraw all troops by May 1 and instead releases a plan for a full withdrawal by September 11, 2021.

Implication of USA withdrawal

■ Regional Security

- ▶ It is assumed that after withdrawal of the coalition forces from Afghanistan, the militants would be re-organized/restructured and could threaten the peace of the entire region by drawing the neighbouring countries in the war.
- ▶ Thus the reduction/withdrawal can endanger stability of the south and central Asia.

Afghan Forces

➤ The international community is prepared to help the Afghan forces by providing money, equipment and training.



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- ▶ But it is not known whether this help will be sustained over a longer period of time.
- ➤ There is also a possibility of the ANSF disintegrating along ethnic lines, in case the Taliban, a predominantly Pashtun-majority entity.

■ Economy

- ➤ As the country is dependent upon aid; it has been less focused upon trade over the last decade.
- ▶ Unstable Afghanistan will lose investment opportunities and hence economic and political crisis can make the region extremely unstable.

■ Political uncertainty

- ▶ Government has no or very weak control beyond Kabul.
- ➤ The Parliament is divided into disunited groups comprising of disgruntled elements, this disunity and hatred can pose a grave threat to political situation in Afghanistan.

■ Pakistan Interference

➤ Some researchers argue that the Pakistan military actively aids the insurgents through funding, the provision of weapons, strategic planning, and so on, which are bound to increase post US withdrawal.

Implication for India

- The withdrawal can lead to a surge in international and regional terrorism, re-emergence of Taliban's influence on Pakistan and the political instability it will create in the region.
- India's larger concerns are about the resurgence of Taliban, which can undoubtedly reassure
 and incite the extremist elements in Kashmir and other parts of India through India-focused
 militant groups such as Laskhar-e-Toiba and Jaish-e-Mohammed, which are believed to have
 relocated to Afghanistan in large numbers.

On the Quad, define the idea, chart a path

Context

6

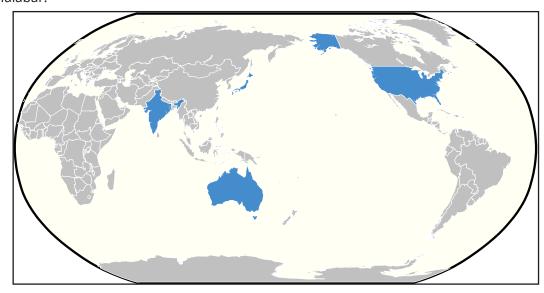
The third round of the Quadrilateral Security Dialogue, comprising India, Japan, the US and Australia is to take place.

The Quadrilateral Security Dialogue (Quad)

- The Quadrilateral Security Dialogue (QSD, also known as the Quad) is an informal strategic forum between-
 - ➤ The United States
 - ▶ Japan
 - Australia
 - ▶ India
- It is maintained by semi-regular summits, information exchanges and military drills between member countries.



- The forum was initiated as a dialogue in 2007 by Prime Minister Shinzo Abe of Japan, with the support of Vice President Dick Cheney of the US, Prime Minister John Howard of Australia and Prime Minister Manmohan Singh of India.
- The dialogue was paralleled by joint military exercises of an unprecedented scale, titled Exercise Malabar.



Significance of Quad:

- **Matrix of relationship:** It's helpful to examine the Quad less as a bloc of four countries and more as a matrix of trilateral and bilateral relationships.
- **Strong engagements:** Trilaterally, US–Japan–Australia engagement is the most advanced, given the legacy of US alliances and the recently unveiled trilateral infrastructure agreement.
 - ▶ Meanwhile, the US-India-Japan trilateral dialogue is now held at the ministerial level.
 - ▶ Japan has been permanently included in India-US naval exercises, and a trilateral infrastructure working group has been established.
 - ► A Japan-India-Australia trilateral dialogue was recently initiated.
- **Growing minilateralism:** Other developments point to growing 'minilateralism'. India's air force participated in Australia's Pitch Black exercise, representing a growing degree of comfort with defence cooperation in a regional context. The commonality of equipment—notably maritime patrol aircraft—is significant for improving collective maritime domain awareness and anti-submarine contingencies, and adds another element of interoperability.
- Major defence platforms: After more than a decade of negotiations, a logistics supply agreement and communications agreement have been signed. India has also acquired several major defence platforms from the US, and preliminary efforts at joint defence production and research and development are underway.

Quad as plurilateral mechanism

- The Chinese are skilled at obfuscation. They will, perhaps, endeavour to conflate the Quad with the Indo-Pacific vision, and link both to the so-called China Containment Theory.
- The Quad nations need to better explain that the Indo-Pacific Vision is an overarching framework that is being discussed in a transparent manner, with the objective of advancing everyone's economic and security interests.
- The Quad, on the other hand, is a plurilateral mechanism between countries that share interest on specific matters.



7

AUKUS Security Alliance

Context:

Recently, The U.S. the U.K. and Australia announced a new trilateral security partnership, AUKUS.

About the AUKUS Pact

- The historic grouping will advance strategic interests, uphold the international rules-based order, along with generating hundreds of high-skilled jobs.
- Under the first major initiative of AUKUS, Australia would build a fleet of nuclear-powered submarines with the help of the US and the UK, a capability aimed at promoting stability in the Indo-Pacific region.

Highlights of AUKUS Alliance

- **Indo-Pacific Focus:** The AUKUS security team will focus on developing strategic interests in the Indo-Pacific region.
 - Although the US has openly denied that the collection is targeted at China, its Indo-pacific status makes it an ally against China's independent actions in the South China Sea.
 - ➤ The three countries alongside Canada and New Zealand already share a deep understanding of the Five Eyes partnership.
- **Transferring Nuclear Vessels to Australia:** As part of this program, Australia will acquire submarine-powered submarines with assistance from the UK and US.
 - ➤ The move is significant because the US has only shared marine chemical technology before, and it began in 1958 with Great Britain.
 - ➤ Nuclear power submarines are quieter than their standard counterparts but also more capable of being installed for longer periods of time and need to appear more frequently.
 - Apart from India's stated goal of acquiring more nuclear-powered submarines, it will lead to an increase in changes in Quad's undersea power and anti-submarine warfare.
 - ▶ Quad is a collection of India, USA, Australia and Japan.
 - Australia now has to join the top six-nation group India, US, UK, France, Russia and China
 - using nuclear-powered submarines. It would also be the end of the world to have such
 submarines without having a nuclear power plant.
- Multilateral Partnerships: AUKUS will also include new building and integration meetings between the three countries, as well as partnerships in emerging technologies (using AI, quantum technology and underwater capabilities).

Why did China express its concern about the AUKUS Security Alliance?

China is delayed more by AUKUS than Quad and other Indo-Pacific arrangements for the following reasons,

- First, AUKUS aims to protect the strategic interests of the partner in the region across the two seas and 38 countries.
- Second, it is a message to China that the US will one day do the same to other countries in the region. Sharing military and critical skills such as cyber, artificial intelligence, and computum computing. It is a cause for concern in China, as these are the key areas in which China currently governs.
- Third, AUKUS is a security group, unlike QUAD, which is a communication group.



 Fourth, the Declaration marks a new decline in Australia-China relations. China is Australia's largest trading partner, with about US \$ 200 billion trading in two ways. But the relationship has been strained over the past few years.

For these reasons alone, China called the new AUKUS alliance "extremely damaging to the peace and stability of the region".

What does the AUKUS Security Alliance mean in India?

- According to Indian Observers, the partnership is very beneficial to India. As India has been at the forefront of uniting the unity of the Indo-Pacific countries. Benefits include,
 - ▶ Develop Indian partners in the region: QUAD means nothing but the skills development required by all its members, especially Australia and Japan. This will give Indian partners more confidence and confidence in their defensive skills.
- AUKUS and the future US military base on Australian soil will support India's efforts to protect the Indo-Pacific.
 - ▶ Provide much needed time in India to build naval capabilities: In addition, AUKUS will buy some valuable time for India to strengthen its rural military capabilities.
 - ▶ Develop India's ambitions for international relations: Partnerships will allow India to demand more of its foreign policy and defence strategy.

8

Teesta Dispute and India-Bangladesh Relations

Context:

- Recently, PM Modi's visited to Bangladesh where the Teesta Dispute was discussed during the talks between the leaders and he reiterated India's sincere and continued efforts to conclude this agreement in consultation with relevant stakeholders.
- But still, no agreement has reached yet and it looks gloomy provided the political tension between Centre and the State.

Background

- India-Bangladesh ties have improved tremendously over the last decade from signing the landmark Land Boundary Agreement (LBA) in 2015and peacefully managing the maritime boundary issue following a judgement from an international tribunal to the security cooperation between the two states.
- Bangladesh has been an important partner for India in fighting militancy in its northeast region.
- On the economic front, the two countries have signed several MoUs over the years covering various projects including cross-border railways to improve connectivity between India and Bangladesh as well as the northeast region, energy, defence, ports and inland waterways use.
- However, the bilateral ties are far from perfect. The Teesta water dispute is such contentious issue.

Analysis

■ What is the dispute?

At the core of the dispute is the shortage of water in the dry season as a result of retreating Teesta glaciers as a result of climate change.



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- ➤ **Demarcation (1947):** The root of the disputes over the river can be found in the report of the **Boundary Commission (BC),** set up in 1947 under **Sir Cyril Radcliffe**, to demarcate the boundary line between West Bengal and East Bengal.
- ▶ All India Muslim League demanded the Darjeeling and Jalpaiguri districts on the grounds that they are the catchment areas of Teesta River system. Members of the Indian National Congress and the Hindu Mahasabha opposed this.
- ➤ In the final declaration the BC gave a major part of the Teesta's catchment area to India as both were non-Muslim-majority areas.
- ▶ **1970s:** Before 1971, no serious dialogue took place on water issues between India and East Pakistan, but after the 1971, India and Bangladesh began discussing their transboundary water issues.
- 1972: In 1972, the India-Bangladesh Joint Rivers Commission was established.
- ➤ In its initial years, the most important concerns of both countries were the status of river Ganges, construction of the Farakka barrage and sharing of water from the rivers Meghna and Brahmaputra.
- ▶ 1983: In 1983, an ad hoc arrangement on sharing of waters from the Teesta was made, according to which Bangladesh got 36% and India 39% of the waters, while the remaining 25% remained unallocated.
- ▶ 1996: Although the issues related to the distribution of waters from the Teesta were discussed between India and Bangladesh, the river gained prominence only after the two countries signed the **Ganga Water Treaty in 1996**.
- ▶ **2011:** The two countries almost concluded a water-sharing treaty in 2011 under which India would get 42.5 per cent and Bangladesh around 37.5 per cent of the water during the dry season,but it was vetoed by the West Bengal Chief Minister, as water supply is a state subject in India.

Teesta River

- The Teesta River, the fourth largest transboundary river between the two countries.
- It is a tributary of the Jamuna (the largest distributary of Brahmaputra) which flows through the Indian state of Sikkim and West Bengal to enter Bangladesh.
- It originates from the Pahunri (or Teesta Kangse) glacier, flows through Darjeeling district and the cities of Rangpo, Jalpaiguri and Mekhliganj. It joins the Jamuna River at Fulchhari in Bangladesh.

Why Teesta matters to both countries?

- **Bangladesh:** For Bangladesh, it covers about 14 per cent of the total cropped area and about 7.3 per cent of its population relies on the river for direct livelihood.
- **India (West Bengal):** For West Bengal, the river is important to sustain its five northern districts of Darjeeling, North and South Dinajpur, Cooch Behar and Jalpaiguri, which is some of the poorest farming districts in West Bengal.
- There is another matter of the Kolkata port drying up due to silting which requires more water, especially during the lean season.

Implications for India-Bangladesh Relations

- Indian foreign policy in the region has had limited success in securing bipartisan support for deeper cooperation with India.
- India's relations with most of its immediate neighbours have been party or individual-oriented.
 Once the power is reversed in many of the neighbouring countries, there are noticeable changes in India's relations with these countries subsequently.



- While Teesta itself is not a highly political issue in India barring northern West Bengal, it is a highly politically charged topic in Bangladesh which is often an election issue raised by both the main national parties.
- For the 2018 Bangladesh general elections, the Awami League stressed on cooperating with India for sharing the waters in the Teesta in its election manifesto.
- When the Bangladesh Nationalist Party (BNP) government was in power in Bangladesh from 2001 to 2006, India witnessed an increase in the insurgency in the northeast, whose security condition is already at stake due to India's poor connectivity.
- It was only brought under control due to consistent support and cooperation from the Awami League (Sheikh Hasina) government post-2009.
- BNP has consistently had a pro-Pakistan and Pro-China stance a policy continued from General Ziaur Rahman's time and used anti-India rhetoric as a major part of its election campaigns over the years.
- Bangladesh remains a key swing state in South Asia as far as the Chinese involvement in the region is concerned. Visiting of Xi Jinping in 2016 and the two countries and signing multiple agreements is already a concern for India.
- China has also been the major supplier of military equipment to Bangladesh, selling equipment between 2000 and 2020, which accounts for 65 per cent of total defence imports.
- Bangladesh has been engaging China in terms of various projects under the Belt and Road Initiative (BRI).
- Teesta, therefore, is not merely a transboundary water dispute but an important tenet of Bangladesh's domestic politics and the developing geopolitics in the region.

9

BIMSTEC needs to reinvent itself

Context:

- In a recent development, the foreign ministers of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) met virtually.
- This virtual meeting led to the finalization of 'Connectivity Master Plan' for Bay of Bengal Region.

Background

- While most multilateral groupings from G20 to SCO (Shanghai Cooperation Organisation) and ASEAN (Association of Southeast Asian Nations) held their deliberations at the highest political level amid COVID-19 pandemic in 2020, BIMSTEC leaders failed to do so.
- BIMSTEC could not even arrange its ministerial meeting until April 2021 whereas meeting of SAARC (South Asian Association for Regional Cooperation) leaders held at India's initiative a year ago.

Analysis

About BIMSTEC

 The BIMSTEC region is home to around 1.5 billion people which constitute around 22% of the global population with a combined gross domestic product (GDP) of \$3.5 trillion.



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- In the last five years, the BIMSTEC Member States have been able to sustain an average 6.5% economic growth trajectory despite global financial meltdown.
- Initially, it was an economic bloc of four Member States with the acronym 'BIST-EC' (Bangladesh, India, Sri Lanka and Thailand Economic Cooperation).
- It was renamed as BIMSTEC following the inclusion of Myanmar on 22 December 1997.
- In 2004, after Nepal and Bhutan joined the organization the full name of the grouping was changed to 'Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation'.

What is the aim of BIMSTEC?

- BIMSTEC aims to strengthen ties between and among member states in various areas of cooperation. According to the Bangkok Declaration of 1997, the aims and purposes of BIMSTEC are to:
 - > create an environment to enable rapid economic development,
 - accelerate social progress in the sub-region,
 - > promote mutual assistance and active collaboration on matters of common interest,
 - > provide assistance to each other in the form of training and research facilities,
 - cooperate more effectively in joint efforts that are supportive of, and complementary to, national development plans of member states,
 - ▶ maintain close and beneficial cooperation with existing international and regional organizations, and
 - cooperate in projects that can be dealt with most productively on a sub-regional basis and which make best use of available synergies

What are the areas of cooperation?

There are fourteen priority sectors identified by member states. Each sector is led by a member state voluntarily

S. No.	Areas of Cooperation	Lead Country
1	Trade and Investment	Bangladesh
2	Technology	Sri Lanka
3	Energy	Myanmar
4	Transport and Communications	India
5	Tourism	India
6	Fisheries	Thailand
7	Agriculture	Myanmar
8	Cultural Cooperation	Bhutan
9	Environment and Disaster Management	India
10	Public Health	Thailand



11	People-to-People Contact	Thailand
12	Poverty Alleviation	Nepal
13	Counter-Terrorism and Transnational Crime	India
14	Climate Change	Bangladesh

Progress made by BIMSTEC

- The draft for the BIMSTEC charter has been cleared by Foreign Ministers recommending its earlier adoption.
- They also endorsed the rationalisation of sectors and sub-sectors of activity, with each memberstate serving as a lead for the assigned areas of special interest.
- The foreign ministers also conveyed their support for the Master Plan for Transport Connectivity, which will be adopted at the next summit.
- The recent ministerial meeting also endorsed 3 MoUs/agreements relating to cooperation between diplomatic and training academies, convention on Mutual Legal Assistance in Criminal matters and establishment of BIMSTEC Technology Transfer Facility in Colombo.
- Much has been achieved in Humanitarian Assistance and Disaster Relief (HADR) and security, including counterterrorism, cyber security, and coastal security cooperation.

Pending BIMSTEC FTA

- A 2018 study by the Federation of Indian Chambers of Commerce and Industry (FICCI) had suggested that BIMSTEC urgently need a comprehensive Free Trade Agreement.
- It should cover trade in goods, services and investment; adopt policies that develop regional value chains; promote regulatory harmonisation; and eliminate non-tariff barriers. Also lacking was an effort to engage and enthuse the vibrant business communities of these seven countries, and expand their dialogue, transactions and interactions.
- Over 20 rounds of negotiations to operationalise the BIMSTEC Free Trade Area Framework Agreement, signed in 2004, are yet to bear fruit, due to disagreement between India and Thailand over market access for professionals, duty cuts on traded goods and policy relaxation.

What are the obstacles for BIMSTEC success?

- A strong BIMSTEC presupposes cordial and tension-free bilateral relations among all its member-states. This has not been the case, given the course of India-Nepal, India-Sri Lanka, and Bangladesh-Myanmar ties in recent years.
- The uncertainties hang around SAARC, complicating the matter. Both Nepal and Sri Lanka want the SAARC summit revived, even as they cooperate within BIMSTEC, with attenuated zeal.
- The China's decisive intrusion in the South and South- East Asian space has cast dark shadows.
 A renowned Bangladeshi scholar argued at a recent conference that BIMSTEC would make headway if China is accepted as its principal partner and interlocutor.
- This perspective has hardly any takers in India and its friendly partners in the grouping. Finally, the military coup in Myanmar, brutal crackdown of protesters and continuation of popular resistance resulting in a extended impasse have produced a new set of challenges.
- Despite them, the BIMSTEC foreign ministers could meet virtually but will it be as easy for the summit to be held, with the much-maligned Commander-in-Chief Min Aung Hlaing from Myanmar at Colombo?



10

India and Sri Lanka re-injects pragmatism into bilateral relations

Context:

With the participation of the Indian Air Force Chief and 23 aircraft in the three-day event in Colombo to mark the 70th anniversary of the Sri Lanka Air Force (SLAF), India sought to reaffirm its strong defence cooperation with Sri Lanka.

Background

- In recent months there have been escalating tensions between India and Sri Lanka, with New Delhi on the receiving end of a series of diplomatic blows from its smaller neighbour.
- Despite Indian efforts at appeasing the island state's government, the straggling relationship across the Palk Strait has suffered new setbacks-
 - ➤ The Eastern Container Terminal at Colombo's port saw almost 70% of its traffic come from India and was a key outpost for New Delhi's export economy.
 - ➤ After years of painstaking negotiations, a \$700 million deal, a tri-nation MoC (memorandum of cooperation), for developing the **Colombo Port's Eastern Container Terminal (ECT)**, was settled between Sri Lanka, Japan and India.
 - ▶ But Colombo withdrew its consent from the deal.
- Sri Lanka has since announced that its Cabinet has cleared a proposal from the Adani Group
 — the Indian partner identified by New Delhi and a Japanese firm to be proposed by
 Tokyo for trilateral development of the Western Container Terminal (WCT) in the same
 port-front.
- The recent participation of the Indian Air Force Chief and 23 aircraft is a positive development.

Analysis

■ What is 'Priority One' assurance?

- ➤ By reciprocating Sri Lanka's past declaration of following an 'India First' foreign policy, India has now said that the southern neighbour is the nation's 'Priority One' defence partner.
- ▶ India also reiterated the assurance of fullest cooperation in the field of defence and security.
- ➤ The statement underlined that the participation of the Indian Air Force and Indian Navy aircraft and personnel in the 70th Anniversary celebration of the SLAF is indicative of **the growing cooperation, camaraderie and friendship** between the Armed Forces of the two nations.
- ▶ A total of 23 Indian Air force (IAF) and Indian Navy aircraft will also partake in the event.
- ➤ The Indian aircraft participated in these events include Advanced Light Helicopter (ALH) Sarang which will perform an aerobatic display, Surya Kiran planes, Tejas fighter jet, Tejas trainer jet, and Dornier maritime patrol aircraft.

■ Why Sri Lanka assumes significance for India?

➤ **Strategic geopolitical relevance**: Sri Lanka's strategic location makes it a crucial partner for all countries in the region.



- ➤ Sri Lanka has a list of highly strategic ports located among busiest sea lanes of communication.
- ➤ The Lloyds list state Sri Lanka's **Colombo Port** is the **25th busiest container port** in the world.

Colombo Port is the largest and busiest port in Sri Lanka. Located on the southwestern shores on the **Kelani River**, it serves as an important terminal in Asia due to its strategic location in the Indian Ocean.

- ➤ The island nation is also strategically important to India in terms of its Indian Ocean strategy and in terms of networking of partners for her aims of establishing an Indian Ocean Rim Community.
- ➤ For the Indian Navy, it is important as the switching of naval fleets from the Bay of Bengal to the Arabian Sea and vice versa the fleets have to take a round of Sri Lanka.

■ The Beijing factor

Sri Lanka's growing Chinese influence has swayed the Indo-Lanka relationship significantly.

- ➤ **Infrastructure projects:** In the last 15 years, China has invested heavily in Sri Lanka's infrastructure projects, triggering panic in New Delhi. China has its footprints everywhere. **Hambantota port** in the deep-south to Colombo International Financial City (CIFC) is being built on the land reclaimed from Indian Ocean.
- ➤ **Tagging the island state on BRI:** Geostrategic significance of Sri Lanka is determined by its ports, the entry points to the island. China strategically carved its path years ago, tagging Sri Lanka along with its larger strategic mental map, the Belt and Road Initiative (BRI).
- ▶ **Building modern ports:** China is building state of the art gigantic modern ports all along the Indian Ocean to the south of it, in Gwadar, in Pakistan, in Chittagong, in Bangladesh, in Kyauk Phru, in Burma, in Hambantota, in Sri Lanka. Post 2015, Sri Lanka still relies heavily on China for Port city project and for continuation of Chinese funded infrastructure projects in Sri Lanka.

■ What India needs to do?

- ▶ India needs to pay attention towards improving relations with regional power centers and leverage its economic and soft power strengths to optimise diplomatic output even as its global grandstanding is on.
- ➤ Additional involvement of the corporate and business sector, education and information technology are some potential areas of greater interaction.
- ▶ India's foreign policy goals need to be motivated by realism rather than ideals such as democracy promotion. At last, India must remain a zone of peace in the Indian Ocean.



Myanmar's Protest and what led to Military Coup in Myanmar

Context:

Weeks of demonstrations and a deadly crackdown have roiled Myanmar since the February coup brought back full military rule following years of quasi-democracy.



Background

Myanmar, also known as Burma, has suffered decades of repressive military rule, poverty due to years of isolationist economic policies, and civil war with ethnic minority groups.

- **1948:** Myanmar has been ruled by a military junta for many of the years since it gained independence from British colonial rule in 1948.
- The Union of Burma began as a parliamentary democracy, like most of its newly independent neighbors on the Indian subcontinent.
- **1962:** But representative democracy only lasted until 1962, when General U Ne Win led a military coup and held power for the next twenty-six years.
- Ne Win instituted a new constitution in 1974 based on an isolationist policy and a socialist economic program that nationalized Burma's major enterprises.
- **1988:** By 1988, widespread corruption, rapid shifts in economic policy related to Myanmar's currency, and food shortages led to massive student-led protests.
- In August 1988, the army cracked down on protesters, killing at least three thousand and displacing thousands more.
- In the aftermath of the 1988 crackdown, Ne Win resigned as chairman of his party, although he remained active behind the scenes as another military junta took power.
- **1989:** In 1989, the new military regime changed the country's name from the Union of Burma to the Union of Myanmar, and the capital, Rangoon, was renamed Yangon.
- **2005:** In 2005, the military government moved the administrative capital to Nay Pyi Taw, a city it built-in central Myanmar.
- 2007: In 2007, the so-called Saffron Revolution, widespread anti-government protests that were sparked by fuel price hikes and named after the saffron-colored robes worn by participating Buddhist monks—and international pressure prompted shifts in Myanmar.
- **2008:** The junta pushed forward a new constitution in 2008, which is still in place today, that gave the military widespread powers even under civilian rule.
- The military junta unexpectedly officially dissolved in 2011 and established a civilian parliament for a transitional period, during which former army bureaucrat and Prime Minister Thein Sein was appointed president.
- **2015:** Myanmar held its first nationwide, multiparty elections—considered to be the freest and fairest elections in decades—since the country's transition away from military rule.
- Suu Kyi became Myanmar's de facto leader in 2015.
- 2021 February: Government overthrown in military coup.

The country profile

- Myanmar, also known as Burma, is in South East Asia. It neighbours Thailand, Laos, Bangladesh, China and India.
- The country gained independence from Britain in 1948.
- It was ruled by the armed forces from 1962 until 2011 when a new government began ushering in a return to civilian rule.
- The ruling military changed the country's name from Burma to Myanmar in 1989.

What is happening now?

- In 2020, Myanmar held its second national elections under civilian rule, which Ms Suu Kyi's NLD party overwhelmingly won.
- The military suffered a major blow in the elections: the USDP won just 33 of 476 available seats, while the NLD won 396.



- Military leaders alleged voter fraud, and after the country's election commission rejected the military's claims, it staged a coup in February 2021.
- The military is now back in charge and has declared a yearlong state of emergency.
- It seized control on 1 February following a general election which Ms Suu Kyi's NLD party won by a landslide.
- The coup took place as a new session of parliament was set to open.



Who is Aung San Suu Kyi?

- Aung San Suu Kyi, 75, is the daughter of Myanmar's independence hero, Gen Aung San who was assassinated just before the country gained independence from British colonial rule in 1948.
- She remained popular with the public despite spending years under house arrest.
- She was released in 2010, and in November 2015 she led the NLD to a landslide victory in Myanmar's first openly contested election for 25 years and became de facto leader.

What about 'human rights'?

- The people of Myanmar, young and old, from all walks of life, have a vision: freedom, democracy and human rights.
- Human rights are natural rights which cannot be restrained by human laws. It includes Right to life, liberty and property.
- These are the requirements of a person to fully grow into a social being. Individuals are the fundamental contributors of the Nation. Only when their rights are protected they will be able to contribute the best of himself to the country.
- Olden times fulfilling the country's law by any means was the end of a country. With time, people became the centrality of a Nation.
- Laws and public administrators now become the means to protect an individual's interest from injustice. Towards such and end, international organizations such as UN was established.

Universal Declaration of human rights

- The United Nations Charter sets forth the "inherent dignity" and the "equal and inalienable rights of all members of the human family."
- Upholding these human rights principles as "the foundation of freedom, justice, and peace in the world" is fundamental to every undertaking of the United Nations.

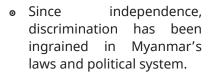
Why has Myanmar endured so many ethnic conflicts?

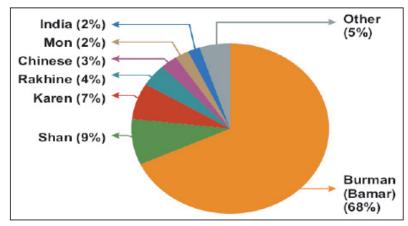
- Myanmar is a diverse country, with the state recognizing more than one hundred ethnic groups.
- Forming roughly two-thirds of the population, ethnic Burmans, known as the Bamar, have enjoyed a privileged position in society and hold a majority of government and military positions.



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ethnic minority Many groups, on the other hand, have faced systemic discrimination, a lack of economic opportunities and development their regions, minimal representation in government, and abuses at the hands of the military.





- Anti-Muslim sentiment has also been on the rise in predominantly Buddhist Myanmar.
- Buddhist extremists, who promote the supremacy of Buddhism, have attacked Muslims and spread hate speech.

Is the world moving towards dictatorship?

- Democracy now finds itself in a Hobbesian state (the natural condition of mankind), for people have willingly submitted themselves to the government in fear.
- Dictatorship often starts in the face of a threat. Earlier it was the invisible and distant threat of terrorism that demanded obedience, now the threat is closer to home – that is pushing people to give away their rights on a platter.
- The question is for how long.
- The imposition of any kind of emergency, formal or informal, without an expiry date spells doom for democracy.

What has been the International reaction?

Numerous countries have condemned the military takeover.

- **US and UK:** The United States and the United Kingdom have responded with sanctions on military officials.
- **China:** China blocked a UN Security Council statement condemning the coup, but has backed calls for the release of Ms. Suu Kyi and a return to democratic norms. The country has previously opposed international intervention in Myanmar.
- Southeast Asian countries have been pursuing diplomatic efforts to end the crisis.

What is India's stand?

- India expressed "deep concern" over the reports of an unfolding military coup in Myanmar.
- India has always been steadfast in its support to the process of democratic transition in Myanmar.
- The country believes that the rule of law and the democratic process must be upheld.
- India had shown a commitment to building robust relationships with Myanmar over the past two decades which intensified after the democratic process began in 2011.



12

Arctic Ocean and its Relevance

Context:

Recently, India has unveiled a new draft 'Arctic' policy that, among other things, commits to expanding scientific research, "sustainable tourism" and mineral oil and gas exploration in the Arctic region.

Background

- India has been invested in the Arctic region for years and to secure its share of the pie that the region offers in terms of research and resources, including minerals and hydrocarbons, the Indian government has now unveiled a draft Arctic policy.
- It envisages India's engagement in the Arctic region for climate research, environmental monitoring, maritime cooperation and energy security.
- "India's Arctic Policy Roadmap For Sustainable Engagement" draft rides on five pillars:
 - scientific research
 - economics and human development
 - connectivity
 - global governance and international cooperation
 - ▶ development of Indian human resource capabilities
- Through the policy, India seeks to play a constructive role in the Arctic by leveraging its vast scientific pool and expertise in Himalayan and Polar research.
- India also aims to contribute in ensuring that as the Arctic becomes more accessible, the harnessing of its resources is done sustainably and in consonance with best practices formulated by bodies such as the Arctic Council.
- India's engagement with the Arctic dates back to nearly nine decades when it signed the 'Svalbard Treaty' in February 1920 in Paris.
- The country became an Observer in the Arctic Council for the first time in 2013; its membership in that body was renewed for a second five-year term in 2018.
- In this context, we will comprehensively go through the importance of the Arctic Ocean for India and the World.

Mapping the region

- The Arctic region comprises the Arctic Ocean and parts of countries such as Canada, Denmark (Greenland), Norway, Russia, USA (Alaska), Finland, Sweden and Iceland.
- These countries together form the core of the Arctic Council, an intergovernmental forum.
- Arctic Ocean, smallest of the world's oceans, centering approximately on the North Pole, is almost completely encircled by the landmasses of North America, Eurasia, and Greenland.
- It lies entirely within the Arctic Circle and contains,
 - deep (~ 4500m) basins,
 - ▶ the slowest spreading oceanic ridges in the world
 - ➤ about 15% of the world's continental shelf area



Diminishing Ice-cover in the Arctic: The Arctic is most remarkable for its perennial (multiyear) sea-ice, which historically covered about half of the Arctic Ocean, although in recent years (2007 onward, compared to the 1980s), warming of the Arctic has reduced the perennial sea-ice area by around 40%.



Resource rich Ocean

- The natural resources of the Arctic are the mineral and animal resources within the Arctic Circle that can provide utility or economic benefit to humans.
 - **Living resources:** These are primarily the abundant fisheries.
 - ▶ **Mineral resources:** They include major reserves of oil and natural gas, large quantities of minerals including iron ore, copper, nickel, zinc phosphates and diamonds.
- The Arctic could hold some of the world's largest remaining untapped oil and gas reserves.



- But oil exploration poses a tremendous risk to vulnerable Arctic ecosystems and communities.
- However, recent low oil prices, a low carbon economy climate agenda, and technical challenges
 of Arctic oil extraction have curbed interest in these Arctic resources.
- **Fresh water:** It is a critical renewable resource that can be obtained. Several of the world's largest rivers flow into the Arctic Ocean. This offers the opportunity for two possible developments:
 - ▶ the first is to divert the flow, or part of it, to regions short of water.
 - ▶ the second (and the two are not mutually exclusive) is to use the energy in hydroelectric schemes.

Role in regulating Climate

- Despite its remoteness, the Arctic Ocean is a critical component in the interconnected "machine" that regulates Earth's climate.
- Influence on Atlantic meridional overturning circulation (AMOC): The "global conveyor belt" of currents (i.e AMOC) that regulate temperatures across the globe starts with the cold water of the North Atlantic.
- The Arctic ocean plays a significant role in strengthening this ocean current.
- Fresh water from melting glaciers, thawing sea ice, and the Greenland ice sheet flooding through the Fram Strait has the potential to slow down or disrupt this cycle.
- Normally, the Stratospheric Polar Vortex swirls around the Arctic, trapping cold air near the Pole. Warming of the Arctic Ocean can weaken this polar vortex disturbing the weather pattern in North America and other regions around the Arctic coast.

Diminished Arctic ice has far-reaching impacts

- Arctic amplification: Ice acts as an "air conditioner" for the planet, reflecting about 70 percent
 of incoming solar radiation; a dark, ice-free ocean absorbs about 90 percent, which further
 accelerates warming.
- Threat to food chain: Decreased ice has major impacts on the Arctic ecosystem, from algae growing on sea ice at the base of the food chain to whales and Inupiaq people at the top. Ice also provides hunting platforms critical for the survival of walrus and polar bears.
- Change Ocean circulation patterns: Melting ice adds fresh water that can flow into the North Atlantic, shifting the density of its waters, and potentially leading to ocean circulation shifts and further climate change.
- **Rise in sea levels:** Accelerated input of Greenland ice into the ocean means higher, faster sealevel rises.
- Thawing permafrost poses threats: It increases coastal erosion and damage to roads, buildings, and pipelines. It releases the greenhouse gas methane, and toxic and other materials into the environment, according to the Intergovernmental Panel on Climate Change.
- **World Security:** An ice-free Arctic Ocean will intensify military operations in this strategic part of the globe.
- Antarctica, though uninhabited, is governed by the 1959 Antarctic Treaty ensuring that it is used for exclusively peaceful purposes. There is no similar international regime for the Arctic.

Opportunities unearthed as Ice melts:

- **Easy access to resources:** An ice-free Arctic Ocean opens possibilities for increased shipping, oil and gas exploration, and fisheries.
- **Shorten Trade Routes:** The Northern Sea Route (NSR) which connects the North Atlantic to the North Pacific through a short polar arc was once not open for navigation.
- The melting ice has now made it a reality and a trickle of commercial cargo vessels have been going through every summer since the last decade.



Why the region assumes significance for India?

- Though none of India's territory directly falls in the Arctic region, it is a crucial area as the Arctic influences atmospheric, oceanographic and biogeochemical cycles of the earth's ecosystem.
- The frigid Arctic, which keeps losing ice due to global warming, is one of the batteries feeding the variations in Indian monsoons, over 7,000 kilometres away.
- Studying the response to warming in the form of melting is quite relevant to India as it provides tools to monitor changes in the Arctic.
- Changes in the Arctic and global ecosystem, induced by melting Arctic ice, can thus be highly disruptive for India.

Indian initiatives in Arctic

- India already has a research station in the Arctic, Himadri, for the research work.
- India received the 'Observer' country status in the Arctic Council in 2013 and is one among the 13 countries across the world, including China, to have that position.
- The status was renewed in 2018.

Geopolitics of Arctic

- Russia, Canada, Norway, and Denmark have put in overlapping claims for extended continental shelves.
- The US, not a party to UNCLOS, is unable to put in a formal claim but is under pressure to strengthen its Arctic presence.
- For the present, Russia is the dominant power, with the longest Arctic coastline, half the Arctic population, and a full-fledged strategic policy.
- Russia anticipates huge dividends from commercial traffic including through the use of its ports, pilots, and ice-breakers.
- China, playing for economic advantage, has moved in fast, projecting the Polar Silk Road as an extension of the BRI, and has invested heavily in ports, energy, undersea infrastructure, and mining projects.

What are the concerns for India?

- India has a large coastline that makes it more vulnerable to the impact of Arctic warming on ocean currents, weather patterns, fisheries, and most importantly, our monsoon.
- Scientific Research in the Arctic will help India in better understanding of climate changes in the Himalayas.
- With China actively participating in developments in the Arctic and as its relationship grows with Russia, close monitoring for India becomes strategically important.

13

Continuity in India's ties with Central Asia

Context:

As India cements its position as one of the fastest-growing major economies of the world, its increased engagement with the Central Asian region can lead to mutually beneficial gains — both in economic and strategic terms.



What is Central Asia?

- o Central Asia is a landlocked region, which is located in the heart of Asia.
- Central Asia is composed of the 5 post-soviet countries: Kazakhstan, Uzbekistan, Turkmenistan, Kyrgyzstan and Tajikistan.
- The countries are also known as 5 "Stans" due to the same ending in their names.
- It is bounded on the north by Russia and on the south by Iran, Afghanistan, and China.



Why Central Asia assumes significance for India?

- Geostrategic location: Central Asia, forms a part of India's extended neighbourhood. Its geographical proximity, strategic location, and historical linkages make it an important partner for New Delhi.
- **Energy:** Central Asia is significant for India as it has an abundance of oil and gas deposits.
 - The region contains vast hydrocarbon fields both on-shore and off-shore in the Caspian Sea which homes around 4 percent of the world's natural gas reserves and approximately 3 percent of oil reserves.
 - ▶ Gas in Turkmenistan
 - Oil, gas and uranium in Kazakhstan
 - Uranium and gas in Uzbekistan
 - Hydropower in Tajikistan and Kyrgyzstan
- Global power hub: Strategically, Central Asia is emerging as the next high-stakes competition ground for global powers, hence, it would behoove India to pay closer attention.
- **Significant transportation hub:** Central Asia is a major transportation hub for gas and oil pipelines and multi-modal corridors connecting China, Russia, Europe, and the IOR.



ATTRACTIVENSESS TO INDIA		
Tajikistan	 Geo-strategic location; shares borders with China, Afghanistan, Uzbekistan and Kyrgyzstan and proximity to Pakistan-occupled Kashmir (PoK). Rich in hydroelectric power The largest natural water resources in the region Rich mineral deposits Tajik millitary officers receive training at Indian defence institutions 	
Kazakhstan	 Immense hydrocarbon reserves and growing role in the region Cooperation in hydrocarbons, civil nuclear energy, space, Information technology and cyber security, pharmaceutlcals, health care, agriculture, and cultural exchange programmes. 	
Turkmenistan	 Enormous gas reserves Tranit potential and geo-strategic location as a gateway to Central Asia through Iran. 	
Uzbekistan	 Supports India's candidature for full membership in the SCO and UNSC Cooperate in coal gasification, oil and gas, banking, pharmaceutcals, textiles, science and technology, standardisation, small and medium enterprises and tourism. More than 60 Indian companies operating in the country. Economic reconstruction projects and cooperation on counterterrorism 	
Kyrgyzstan	 Training for Kyrgyz armed forces in UN peacekeeping operations English language skills MoUs for cooperation in research and development in high altitude base agriculture, plantation, animal husbandry, poultry, education, sports, culture, IT, health, S&T and food processing 	

How India is increasing engagement with the region?

- India-Central Asia Dialogue: As a part of moving India's engagement with the region forward, the first India-Central Asia Dialogue was held in Samarkand, Uzbekistan on 13 January 2019. The participants included India, the five Central Asian republics and Afghanistan. The second India-Central Asia Dialogue was hosted virtually in October 2020.
- India is also involved in three connectivity initiatives that involve Central Asia. These initiatives
 are the International North South Transport Corridor (INSTC), the Ashgabat Agreement and
 the development of Chabahar Port in Iran.

Connectivity Initiatives

- **TAPI Pipeline:** The long-delayed Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline, backed by the Asian Development Bank (ADB), was first proposed in the mid-1990s and all four actors officially signed an intergovernmental agreement in 2010.
- **Chabahar port:** The Chabahar port that was recently made partially operational gives New Delhi direct land access to CA.



- International North-South Transport Corridor (INSTC): In the last few years, India has invested in projects such as the International North-South Transport Corridor (INSTC). India sees the INSTC as an import-export route to Russia, Europe and Central Asia.
- Engagement with the region in 2020 saw a clear focus on issues of regional economic development, connectivity, and security — apart from the immediate need of dealing with the ongoing pandemic.
- Among the highlights was the announcement of an additional 1 billion USD Line of Credit extended by India for priority development projects in energy, healthcare, connectivity, IT, agriculture, education, etc.
- India's 'Connect Central Asia Policy' covers an entire gamut of a multi-model approach to strengthen politico-economic, security, and cultural ties between the two.
- The policy received a significant boost in 2018, when New Delhi's diplomatic efforts paid dividends in the form of admission into the Ashgabat Agreement, signed in 2011 between Iran, Oman, Turkmenistan and Uzbekistan and Qatar, for the establishment of an international transport and transit corridor.

Understanding India's constructive approach

- India, for its part, has so far chosen to take the 'constructivist' approach.
- Subsequently, India revived its "Indian Technical and Economic Cooperation" (ITEC) programme
 to provide assistance to the CARs countries, as well as capacity building through training
 programs, study tours, technology transfers and, in some cases, aid for disaster relief.
- The ITEC programs covered information technology, management, journalism, diplomacy, entrepreneurship, and banking.
- New Delhi also signed the Strategic Partnership Agreements (SPA) with three of the five CARs— Kazakhstan, Tajikistan and Uzbekistan—to stimulate defence cooperation and deepen trade relations.
- New Delhi has established Indian Cultural Centres in Kazakhstan, Tajikistan and Uzbekistan.
- New Delhi's constructivism is more concretely manifested in its 'Connect Central Asia'
- The policy, launched in 2012, aimed to enhance India's political, economic, historical and cultural connections with Central Asia.
 - As a region, Central Asia has received special attention in Prime Minister Modi's foreign policy. India has designated Central Asia as part of its extended neighborhood.
 - In 2015 Modi visited all the five Central Asian countries Kazakhstan, Kyrgyzstan, Tajikistan,
 Turkmenistan and Uzbekistan in a period of one week.
- He became the first Indian prime minister to visit all the five Central Asian countries in a single trip.

What needs to be done?

Efforts are now being made to address the weak trade ties by encouraging cooperation among businesses on both sides, as is evident in the launch of the India-Central Asia Business Council in 2020. However, various other measures can also effectively strengthen the ties:

• **Strategic and economic cooperation:** India also needs to direct investment to the region to reap the economic benefits of the strategic location of Central Asia that puts it at the crossroads of key trade and commerce routes. Sectors like the construction industry, sericulture, pharmaceuticals, IT, and tourism offer potential for collaboration.



INTERNATIONAL RELATIONS

- People-to-people tie: India must increase its developmental and humanitarian aid to the region and promote closer people-to-people ties through education, knowledge transfer, medicine and health, culture, cuisine, and tourism.
- **Multilateralism:** While India has strong relations with the U.S., it needs to apply multilateralism in Central Asia.
 - ▶ First, India needs to define its economic and strategic interests in the region.
 - ➤ Second, India must explore the extent to which it can act independently of the U.S. regarding Iran, Afghanistan and the Central Asian countries.
- **Utilizing multilateral organization:** Multilateral organisations like SCO, EAEU, and CICA can serve as platforms for sustained engagement and regular exchange of ideas.

Shanghai Cooperation Organisation (SCO)

- SCO is a permanent intergovernmental international organisation, created in 2001 in Shanghai (China) by Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan.
- The SCO currently comprises eight Member States (China, India, Kazakhstan, Kyrgyzstan, Russia, Pakistan, Tajikistan and Uzbekistan), four Observer States interested in acceding to full membership (Afghanistan, Belarus, Iran, and Mongolia) and six "Dialogue Partners" (Armenia, Azerbaijan, Cambodia, Nepal, Sri Lanka and Turkey).

Eurasian Economic Union (EAEU)

- EAEU is an international economic union and free trade zone comprising countries located in central and northern Asia and Eastern Europe.
- The founding member states of Belarus, Kazakhstan, and Russia established the union by treaty in 2014 and officially implemented the agreement beginning on Jan. 1, 2015.

Conference on Interaction and Confidence-Building Measures in Asia (CICA)

- CICA is an inter-governmental forum for enhancing cooperation towards promoting peace, security and stability in Asia.
- CICA members consist of: Afghanistan, Azerbaijan, Bahrain, China, India, Iran, Iraq, Israel, Jordan, Kazakhstan, Kyrgyzstan, Egypt, Mongolia, Pakistan, Palestine, South Korea, Russia, Tajikistan, Thailand, Turkey, United Arab Emirates, Uzbekistan and Vietnam.

14

Gilgit-Baltistan, An Integral Part of India

Context:

India slammed Pakistan for its attempt to accord provincial status to "so-called Gilgit-Baltistan", saying it is intended to camouflage the "illegal" occupation of the region by Islamabad.

What has happened?

- On November 1, observed every year in Gilgit-Baltistan as "Independence Day", Pakistan Government announced that it would give the region "provisional provincial status".
- When that happens, G-B will become the fifth province of Pakistan.



Pakistan

- Pakistan is comprised of:
 - four provinces:
 - the provinces of Balochistan
 - Punjab
 - Sindh
 - Khyber Pakhtunkhwa
 - one federal territory
 - the federally-administered Islamabad Capital Territory.
- Although the region is claimed by India as part of the erstwhile princely state of Jammu & Kashmir as it existed in 1947 at its accession to India.
- The plan to grant G-B provincial status gathered speed over the last one year.
- The push have well come from India's reassertion of its claims after the August 5, 2019 reorgansiation of Jammu & Kashmir.

Quick history of the region

- Before its independence, present-day GB was part of the State of Jammu and Kashmir, one of the largest princely states of India.
- This state was created in 1846 after the signing of a treaty between the British and Gulab Singh of the Dogra dynasty.
- During the first Anglo-Sikh war (1845-1846), Gulab Singh, who was serving as the ruler of Jammu in the Sikh empire, chose to side with the British East India Company by remaining neutral.
- Acknowledging Singh's loyalty during the war, in 1846, the East India Company sold Kashmir to him for 7.5 million rupees of that time.
- With this accord, Gulab Singh eventually became the first Maharaja of Jammu and Kashmir.
- The princely state of Jammu and Kashmir had four units:
 - ▶ the province of Jammu
 - > the province of Kashmir
 - ▶ the district of Gilgit
 - ▶ the district of Ladakh
- Present-day Baltistan was subjugated and annexed by Gulab Singh's Dogra army earlier, in 1840, before the Treaty of Amritsar.
- In the new administrative set-up, Baltistan was made part of district Ladakh as Skardu tehsil.
- In 1935, the British took over the administration of Gilgit Agency from the Dogra ruler under a 60-year lease.
- However, the Baltistan region remained under the direct rule of the Dogras.
- Two weeks before the independence of India and Pakistan, the British abruptly cancelled the lease.
- On July 30, 1947, the British offered the State of Jammu and Kashmir to take over Gilgit, as per the lease deed.
- On August 1, Brig Ghansara Singh took charge of the Gilgit Agency and the region fell under the control of the Maharaja.
- The Pakistani forces occupied Gilgit-Baltistan on November 4. Since then, Gilgit-Baltistan has been under Pakistan's administrative control.



What do the people of Gilgit-Baltistan want?

- The people of GB have been demanding for years that it be made a part of Pakistan.
- They do not have the same constitutional rights that Pakistanis have.

The region

- Gilgit-Baltistan is the northernmost territory administered by Pakistan, providing the country's only territorial frontier, and thus a land route, with China, where it meets the Xinjiang Autonomous Region.
- To G-B's west is Afghanistan, to its south is Pakistan-occupied Kashmir, and to the east J&K.

Notable features of the region

- Gilgit-Baltistan is one of the most mountainous regions in the world that is rich with mines of gold, emerald and strategically important minerals.
- It is known for its extraordinary scenic beauty, diversity and ancient communities and languages.
- Gilgit is the only place in the world that is connected to 5 countries. Afghanistan, Tajikistan, Pakistan, India and Tibet China.
- When India was called Golden Bird, 85% of our trade was through Gilgit. The land routes were connected to Central Asia, Eurasia, Europe, Africa, everywhere through Gilgit-Baltistan.
- Himalaya has 10 big peaks and 8 of these 10 are in Gilgit-Baltistan. It is home to K-2, the second tallest mountain in the world.
- The region is known for high altitude dams because of both local and Islamabad-driven initiatives. Mountain streams and rivers are often harvested for local community needs.
- The tradition of building dams and bunds dates back to the reign of Balti King Ali Sher Khan Anchan of 1580-1624, who built the famous bund at Satpara Lake, which helps in watering Skardu.
- The water-rich region's biggest hydroelectricity project is the Diamer-Bhasha dam, which was launched in July 2020.

China's role in the region

- The China Pakistan Economic Corridor has made the region vital for both countries.
- In a recent analysis by Andrew Small (Returning to the Shadow: China, Pakistan and the Fate of CPEC), this ambitious project is seen to have been going slow for a combination of reasons.
- But given the strategic interests of both countries, CPEC will continue.

What is the political nature of Gilgit-Baltistan?

The political nature of Gilgit-Baltistan has been directionless from the beginning.

- Pakistan initially governed the region directly from the central authority after it was separated from 'Azad Jammu and Kashmir' on April 28, 1949.
- In 1963, Pakistan gave away 5,180 sq km of the region to China, despite local protests.
- Under Prime Minister Zulfiqar Ali Bhutto, the name of the region was changed to the Federally Administered Northern Areas (FANA).





- Pakistan passed the Gilgit-Baltistan Empowerment and Self Governance Order in 2009, which granted "self-rule" to the 'Northern Areas'.
- In 2019, a seven-judge bench of the Supreme Court of Pakistan, led by Chief Justice Mian Saqib Nisar, took up the constitutional status of Gilgit-Baltistan to determine the extent of political rights that could be enjoyed by the people of the 'Northern Areas'.

What is the region's current status is different from PoK?

- Though Pakistan, like India, links G-B's fate to that of Kashmir, its administrative arrangements are different from those in PoK.
- While PoK has its own Constitution that sets out its powers and their limits vis-à-vis Pakistan,
- G-B has been ruled mostly by executive fiat. Until 2009, the region was simply called Northern Areas.
- It got its present name only with the Gilgit-Baltistan (Empowerment and Self-Governance) Order, 2009, which replaced the Northern Areas Legislative Council with the Legislative Assembly.
- The NALC was an elected body, but had no more than an advisory role to the Minister for Kashmir Affairs and Northern Areas, who ruled from Islamabad.
- The Legislative Assembly is only a slight improvement. It has 24 directly elected members and nine nominated ones.

What is India's stand?

- India slammed Pakistan for its attempt to accord provincial status to the "so-called Gilgit-Baltistan", saying it is intended to camouflage the "illegal" occupation of the region by Islamabad.
- India claims Gilgit-Baltistan as part of Jammu and Kashmir but it has been under Pakistan's control since 1947 under the name of Azad (Free or Liberated) Kashmir.
- The strategically-important area shares a border with China and Afghanistan.

Strategic importance of the region

The region is an extremely fragile and significant one with three of world's powerful ornery and daedalian powers along with a conflict-ridden nation encircling it.

- Strategic points: But apart from its mountains, glaciers and green plains, the region has something else of superfluous significance and prudence: its strategic points. GB is home to some of the world's most important and contentious strategic points capable of creating unremitting embroilments and fracases.
- Volatility: The region holds extreme volatility and if gets subjected to desuetude can cause a
 ruckus in the entire regions of South Asia, Central Asia and China, ultimately affecting the entire
 world.
- **Leading the war:** Gilgit Baltistan's geo-strategic importance is multi-folded, in case of a two-front war against India, to become the most critical point of the war, capable of drastically affecting and determining the outcome.
- **Advance air force base to devastate enemy:** An advanced Air Force base in GB can devastate the enemy's confidence and steer the movement of conflict to India's side.
- **Warfare:** High altitude points are still tremendously important aspects of warfare which can prove to be, if accessed properly, the big game changers.
- **Countering China:** The region is the key to the destruction of Chinese influence in South Asia; the string of China-Pakistan's pearl necklace and also the Brahmastra for India against China. India controlling GB can turn out to be the worst nightmare for China and eventually for Pakistan too.



- Economic significance: The economic significance of Gilgit Baltistan is also embedded in its vast hydroelectric potential. Home to Indus and its 6 tributaries, hundreds of glaciers and lakes, including world's second and third longest glaciers outside of polar regions, the rich water resource region has the potential of generating 40,000 MW of hydroelectricity.
- **Economic epicentre of trade:** Gateway to Afghanistan, Tajikistan and rest of the Central and West Asia, the region of Gilgit Baltistan is a potential economic epicentre of trade.

15

India's Foreign Policy

Context:

In the backdrop of setbacks, especially in the neighbourhood, India has to reconsider its diplomacy's trajectory.

Background

- The foreign policy of India or any country is shaped by two factors i.e. domestic and international factors.
- Domestically, India's history, culture, geography, and economy have played an important role in determining the objectives and principles of India's foreign policy whereas international factor is characterized by cold war in which there was the rivalry between NATO and the Warsaw Pact.
- Thus the establishment of the United Nations, arms race, particularly nuclear arms race, anticolonialism, and anti-imperialism, etc. have also influenced the priorities and objectives of our foreign policy.
- The first Indian Prime Minister, Jawaharlal Nehru, gave due consideration to these factors and played a leading role in shaping the country's foreign policy.

Where India stands to date as the outcome of his foreign policies?

- India was seen as a natural rising power in South Asia and the Indian Ocean Region. It was the de-facto leader of the South Asian Association for Regional Cooperation (SAARC).
- It has historical and cultural ties with Nepal. It enjoyed traditional goodwill and influence in Sri Lanka and Bangladesh.
- It had made investments worth billions of dollars in Afghanistan and cultivated vibrant ties with the post-Taliban stakeholders in Kabul.
- It had committed itself to multilateralism and the Central Asian connectivity project, with Iran being its gateway.
- It was competing and cooperating with China at the same time, while the long border between the two countries remained largely peaceful.

What is the Present scenario?

- India is perhaps facing its gravest national security crisis in 20 years, with China having changed the status quo along the Line of Actual Control (LAC) in the western sector in its favour.
- SAARC is out of the joint. Nepal has turned hostile having adopted a new map and revived border disputes with India.



- Sri Lanka has tilted towards China, which is undertaking massive infrastructure projects in the Indian Ocean island.
- Bangladesh is miffed at the Citizenship (Amendment) Act, 2019.
- When Afghanistan is undergoing a major transition, India is out of the multiparty talks.
- Iran has inaugurated a railway link project connecting the Chabahar port, on the Gulf of Oman, to Zahedan (which India was to have constructed) without India.
- There is a relative decline in India's smart power, especially in the neighbourhood and the extended neighbourhood, which demands a deeper perusal of the foreign policy trajectory itself.
- Three problems can be found which are more or less linked to this decline a closer alignment of policy with the U.S. line, coupling of foreign policy with domestic politics and hubris.

Is there any India- US Closer alignment in India's foreign policy?

- There has been steady erosion in India's strategic autonomy, which pre-dates the current government. When India started deepening its partnership with the United States, India began steadily aligning its policies with U.S. interests.
- The case of Iran is the best example. The agreement to develop the Chabahar port was signed in 2003. But India, under pressure from the U.S., was moving slowly, even though the project offered India an alternative route to Central Asia bypassing Pakistan.
- India voted against Iran at the United Nations; scuttled an ambitious gas pipeline project and cut down trade ties drastically.
- When U.S. pulled out of the Iran deal in 2018 and re-imposed sanctions on Iran, India toed the U.S. line, bringing down its oil imports to zero.
- These policy changes coexisted with India's deepening defense and military ties with the U.S.
 U.S. wants India to play a bigger role in the Indian Ocean and the Pacific region to contain China's rise. While India has steadily deepened military-military cooperation in the recent past
 — the Logistics Exchange Memorandum of Agreement (LEMOA) is one example.
- These developments probably altered Beijing's assessment of India. The border aggression at different points on the LAC could not be a localized conflict; it is part of a larger strategic move.
- One of the reasons for the shift could be Beijing's assessment that India has already become a de-facto ally of the U.S.

What is the status of India's domestic politics?

- At least two decisions taken by the government mainly keeping its citizens in mind have had foreign policy consequences.
- First, the passing of the CAA. The official narrative has been that India is offering citizenship to the persecuted minorities of select countries in its neighbourhood. There were two problems.
 - ➤ One, this is regionalisation of the domestic problems of the countries in India's neighbourhood.
 - ➤ Two, Muslims, including those subsects persecuted in neighbouring countries, were by design excluded from the citizenship programme.
- Second, the abrogation of the special status of Jammu and Kashmir. It led to the suspension
 of fundamental rights in the Kashmir Valley for a prolonged period that damaged India's
 reputation as a responsible democratic power.



• The change of status quo in Jammu and Kashmir, including the bifurcation and reduction of the erstwhile State into Union Territories, could be another factor that prompted the Chinese to move aggressively towards the border in Ladakh.

The perils of hubris

• Great powers wait to establish their standing before declaring that they have arrived. The Soviet Union started acting like a superpower after it won (with allies), the Second World War. China bided it's time for four decades before it started taking on the mighty U.S. Since the 1970s, its focus has almost entirely been on its economic rise. India should learn from at least these modern examples.

What India should learn from past experiences?

- **Need for greater realism in policy:** India needs to change the image of a reluctant power. India should realize that soft power diplomacy is not sufficient for protecting the country.
- Need for Strong economy: An expansionary foreign policy cannot be built on the margins of the global economy. There is a need for India to build a strong economic foundation to fulfill the aspiration of global power.
- In the backdrop of setbacks, especially in the neighbourhood, India has to reconsider its diplomacy's trajectory as India's official policy is that it is committed to multilateralism. Even after India started moving away from non-alignment, which it calls irrelevant in the post-Cold War world order, India should maintain the strategic autonomy as the bedrock of its policy thinking.

16 India and RCEP

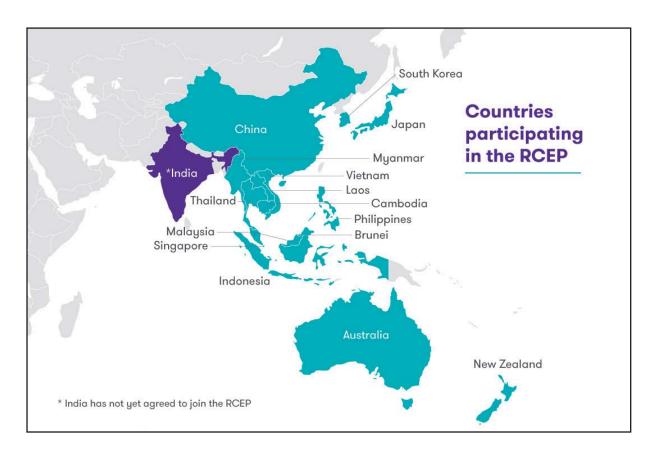
Context

In a latest development, 15 countries solidified their participation in the Regional Comprehensive Economic Partnership (RCEP). Even as India opted to stay out after walking out of discussions last year, the new trading bloc has made it clear that the door will remain open for India to return to the negotiating table.

What is RCEP?

- Described as the "largest" regional trading agreement to this day, RCEP was originally being negotiated between 16 countries — ASEAN members and countries with which they have free trade agreements (FTAs), namely Australia, China, Korea, Japan, New Zealand and India.
- RCEP is essentially a China-led initiative for a regional trading bloc that will comprise of one third of the world's population and 29% of the world's GDP.
- The purpose of RCEP was to make it easier for products and services of each of these countries to be available across this region.
- The purpose of this trading partnership is to give preferential treatment for trade between the member countries either through lower tariffs, preferential market access, customs union or free trade in specific sectors.





Why did India pull out of the mega deal?

- On November 4, 2019, India decided to exit discussions over "significant outstanding issues".
- India had been "consistently" raising "fundamental issues" and concerns throughout the negotiations and was prompted to take this stand as they had not been resolved by the deadline to commit to signing the deal.
- Its decision was to safeguard the interests of industries like agriculture and dairy and to give an advantage to the country's services sector.
- The current structure of RCEP still does not address these issues and concerns.

China's Factor

- Escalating tensions with China are a major reason for India's decision.
- While China's participation in the deal had already been proving difficult for India due to various economic threats, the clash at Galwan Valley has soured relations between the two countries.
- The various measures India has taken to reduce its exposure to China would have sat uncomfortably with its commitments under RCEP.
- Major issues that were unresolved during RCEP negotiations were related to the exposure that India would have to China.
- This included India's fears that there were "inadequate" protections against surges in imports.
- It felt there could also be a possible circumvention of rules of origin— the criteria used to determine the national source of a product — in the absence of which some countries could dump their products by routing them through other countries that enjoyed lower tariffs.
- India was unable to ensure countermeasures like an auto-trigger mechanism to raise tariffs on products when their imports crossed a certain threshold.



- It also wanted RCEP to exclude most-favoured nation (MFN) obligations from the investment chapter, as it did not want to hand out, especially to countries with which it has border disputes, the benefits it was giving to strategic allies or for geopolitical reasons.
- India felt the agreement would force it to extend benefits given to other countries for sensitive sectors like defence to all RCEP members.
- RCEP also lacked clear assurance over market access issues in countries such as China and non-tariff barriers on Indian companies.

How India's decision can impact itself?

- Impact on bilateral trade: There are concerns that India's decision would impact its bilateral trade ties with RCEP member nations, as they may be more inclined to focus on bolstering economic ties within the bloc.
- Less scope to tap large market: The move could potentially leave India with less scope to tap the large market that RCEP presents —the size of the deal is mammoth, as the countries involved account for over 2 billion of the world's population.
- Impact on pact in the Indo-Pacific: Given attempts by countries like Japan to get India back into the deal, there are also worries that India's decision could impact the Australia-India-Japan network in the Indo-Pacific. It could potentially put a spanner in the works on informal talks to promote a Supply Chain Resilience Initiative among the three.

Assessing trade between India and RCEP members

- However, India's stance on the deal also comes as a result of learnings from unfavourable trade balances that it has with several RCEP members, with some of which it even has FTAs.
- An internal assessment by the government has revealed that the growth in trade (CAGR) with partners over the last five financial years was a modest 7.1%.
- While "there has been growth rate in both imports from and exports to these FTA partners", the "utilisation rate" of FTAs both for India and its partners has been "moderate" across sectors, which covers pacts with Sri Lanka, Afghanistan, Thailand, Singapore, Japan, Bhutan, Nepal, Republic of Korea and Malaysia.
- India has trade deficits with 11 of the 15 RCEP countries, and some experts feel that India has been unable to leverage its existing bilateral free trade agreements with several RCEP members to increase exports.

What lies ahead?

- India, as an original negotiating participant of RCEP, has the option of joining the agreement without having to wait 18 months as stipulated for new members in the terms of the pact.
- RCEP signatory states said they plan to commence negotiations with India once it submits a request of its intention to join the pact "in writing", and it may participate in meetings as an observer prior to its accession.
- However, the possible alternative that India may be exploring is reviews of its existing bilateral FTAs with some of these RCEP members as well as newer agreements with other markets with potential for Indian exports.
- Over 20 negotiations are underway.
- India currently has agreements with members like the ASEAN bloc, South Korea and Japan and is negotiating agreements with members like Australia and New Zealand.
- Two reviews of the India-Singapore CECA have been completed; the India-Bhutan Agreement on Trade Commerce and Transit was renewed in 2016; and the India-Nepal Treaty of Trade was extended in 2016.



- Eight rounds of negotiations have been completed for the review of the India-Korea CEPA, which began in 2016.
- India has taken up the review of the India-Japan CEPA and India-ASEAN FTA with its trading partners.
- There is also a growing view that it would serve India's interest to invest strongly in negotiating bilateral agreements with the US and the EU, both currently a work in progress.

17

EU-China deal: short-sold by EC, a reversal ahead

Context:

In a recent development, the European Union (EU) and China agreed in principle to the EU-China Comprehensive Investment Agreement (CAI) that was tentatively approved.

Background

- The Comprehensive Agreement on Investment has been seven years in the making.
- Since the launch of the project in 2013, the CAI was intended to increase investment between the EU and China by establishing a legal framework and common rules on issues ranging from state-owned enterprises to subsidy transparency.
- The deal is important politically as it shows the EU's commitment to its own economic sovereignty without constraints from the U.S.
- Also, it follows the example set by the 10-members of the Association of Southeast Asian Nations, Australia, Japan and South Korea in signing the Regional Comprehensive Economic Partnership back in November 2020.
- The timing of this deal is significant since for the EU, it comes on the heels of a deal with Brexit.

Analysis

■ What is 'in' the deal?

- ➤ The deal removes barriers to foreign investments in China for certain EU industries, such as new energy vehicles, cloud computing services, financial services and health.
- ▶ It will also be the first agreement to deliver on obligations for the behavior of state-owned enterprises and comprehensive transparency rules for subsidies.
- ➤ For China the deal includes investment possibilities in renewable energies on a reciprocal basis.

Al core focus

- ➤ Access to the markets: Provide for new opportunities and improved conditions for access to the EU and Chinese markets for Chinese and EU investors (more specifically, broadening the EU investors' access to the Chinese market by eliminating quantitative restrictions, equity caps, or joint venture requirements).
- ➤ **Addressing challenges:** Address key challenges of the regulatory environment, including those related to transparency, predictability, and legal certainty of the investment environment.



- ➤ **Guarantees protection:** Establish guarantees regarding the treatment of EU investors in China and of Chinese investors in the EU, including protection against unfair and inequitable treatment, unlawful discrimination, and unhindered transfer of capital and payments linked to an investment.
- ▶ **Non-discrimination**: Ensure a level playing field by pursuing, inter alia, non-discrimination as a general principle subject to a limited number of clearly defined situations.
- ➤ **Sustainable development:** Support to sustainable development initiatives by encouraging responsible investment and promoting core environmental and labour standards.
- ➤ **Dispute settlement mechanism:** Allow for the effective enforcement of commitments through investment dispute settlement mechanisms available to the contracting Parties and to investors.

■ The need of the deal

- ➤ Increased cooperation: The necessity of this agreement is due to the increased cooperation between China and the EU.
- ▶ **Bilateral trade:** It is also due to the high volumes of bilateral trade and investments (especially from the EU to China), that makes the urgency of shared principles and rules more and more appreciable.
- ▶ Trade: According to Eurostat data, in 2019 the EU had-
 - exported goods worth approximately €198 billion (US\$242 billion) to China
 - imported goods worth €362 billion (US\$442 billion) from China, with a bilateral trade worth some US\$650 billion
- ▶ **Investment:** With reference to investments in 2019, Chinese foreign direct investment in the EU continued to decline, mirroring the decline in Chinese outbound investments globally.
- ▶ However, China continued to be the second largest FDI recipient.

Europe and China- major partners for a generation

- China and the European Union (EU) jointly account for nearly 35% of global GDP in PPP terms.
- Europe championed China's case for World Trade Organization (WTO) membership and China supported the 'European Project'.
- Between 1995 and 2012, Germany, Europe's economic powerhouse, enhanced its industrial value by 37%, the largest chunk of which came from supply chains not in the United States but in China.
- In March 2019, the EU Commission published "A Strategic Outlook", describing China as, simultaneously, a cooperative partner, an economic competitor and a systemic rival promoting alternative models of governance.

How is the deal different?

- The EU said this investment deal with China aimed to be ambitious and cover a wide range of issues.
- The European side said the **US-China phase one trade deal** signed in January failed to deal with structural issues in the Chinese economy and European firms were left feeling frozen out by the deal.
- The CAI is unlike the US-China phase one agreement, that not only demands greater market access for US companies but also holds Beijing to buying American goods.
- Nor is it similar to the Regional Comprehensive Economic Partnership (RCEP)trade deal signed between China and 14 other countries the world's largest free-trade agreement.



- RCEP streamlines rules and standards of trade to encourage the flow of goods and services, but not specifically investment.
- EU insists it wants to start talks about a bilateral free-trade agreement after the investment deal is done. But even if the China and the EU can sign a deal, the CAI will face a number of challenges from the EU parliament.

Why the deal is 'disappointing'?

- **A puppet show:** The EU bureaucracy is playing by China's rules, dancing to China's tune. The use of the word 'values' in the announcement devalues the term.
- Ignored China's global threats: It glides over:
- o Chinese Communist Party's (CCP) human rights abuses in China
 - consistent breach of rule of law in international dealings
 - bullying allies such as Australia and Norway
 - ▶ territorial aggression on democracies such as India and around the South China Sea
- **Trust issues:** The deal is very controversial as it happens against strong objections in the United States and in public opinion in Europe, as there are many problem areas: effective verification mechanisms are lacking and many investment areas are still closed or semi-closed.
- Win-win situation 'only' for China: It ignores the fact that while the deal will help drive China's Belt and Road Initiative into the EU on the physical side, it will equally enable Huawei to drive 5G telecommunications there and hand over the most precious commodity of the 21st century, citizen data, to the CCP.

China has already protected itself by rushing a **National Security Law** on December 19, right before getting CAI approved, to fend off foreign investment whenever it harms China's national security

- Ignored intelligence law: Worse, this deal has not even mentioned, leave alone questioned, China's National Intelligence Law that effectively turns every Chinese entity into an intelligence gatherer.
- **Threat to national security:** A China is not a US or an India. Every deal with this nation has to be seen through the prism of national security.
- **Suppression:** China will not change; instead, it will use the rules of law around which the rest of the democratic world functions to supress and smother its European partners.

What about EU-US relations?

- Biden had sent signals that essentially told the EU not to rush and sign the CAI now.
- Moreover, the EU made it clear that it wanted to collaborate with the new Biden presidency after four years of difficult co-existence with the Trump presidency.
- It is not clear why the EU, despite all of this, went ahead and signed.
- The EU signed it in the last days of the Trump presidency, so it appears a toxic European response to the four years of often strained relations with the US.
- With China's proactive approach towards the EU, Biden may find it a difficult task to reset the US-EU relations.

Assessing the implications for India

• **Trade competition:** After the EU-China deal, India would have to compete more with China in order to drive home its point.



- Resettling relations with EU: This deal would also lead India to think about resetting its
 relations with the EU. Although India and EU are stakeholders in each others' economy, the
 former would still need to pursue EU in a more proactive manner.
- **Addressing future challenges:** India also needs to watch for another angle that may emerge in future with China increasing its stakes in the EU.
- **Cooperation in Indo-Pacific region:** Of late a number of the EU countries such as France, Germany and the Netherlands are showing keen interest in the geopolitics of the Indo-Pacific Region. These countries have shown inclination to be a stakeholder in the security and economy of the Indo-Pacific Region. India needs to consider this inclination and work accordingly.

EU-India

- The European Union is India's largest trade partner with two-way trade amounting to \$115.6 billion (€101.3 billion) in 2018-19.
- In recent times India has been hinting towards entering into a **preferential trade agreement** with the EU if not a free trade agreement.

Way Forward

- The deal is not the 'solution' to commercial and economic problems, but it could be a step forward or become a tripwire for bigger problems around China and the world. In any case, it proves that China is not a secondary regional issue, but a massive global question that calls everybody to rethink many problems.
- Now, the ball lies in three courts the European Parliament, the Council of the EU Council, and the Biden administration. The economic fate of the EU in the 21st century will only be determined by how these three poles uphold the liberal values they had authored in the middle of the 20th century.

18

India, UAE formally launch CEPA negotiations

Context:

India and United Arab Emirates (UAE) formally launched negotiations for a Comprehensive Economic Partnership Agreement (CEPA) with an early harvest to be concluded by end December.

About

- It is a new strategic economic agreement between both nations.
- It is expected to increase bilateral trade in goods to \$100 billion within five years of the agreement being signed and increase trade in services to \$15 billion.
- Both sides aim to conclude negotiations by December 2021 and sign a formal agreement in March 2022.
- CEPA will create new jobs, raise living standards, and provide wider social and economic opportunities in both nations.

India-UAE's trade relations

 The UAE is currently India's third-largest trading partner with bilateral trade in FY20 valued at \$59 billion.



- India was the UAE's second-largest trading partner in 2019, with bilateral non-oil trade valued at \$41 billion.
- The UAE is the **eighth-largest investor** in India, having invested \$11 billion between April 2000 and March 2021.
- The UAE is also **India's second-largest export destination** after the US, with exports valued at approximately \$29 billion in FY20.
 - ▶ **Items of exports:** petroleum products, gems and jewellery, minerals, food items such as cereals, sugar, fruits and vegetables, tea, textiles and chemicals.
 - ▶ **Items of imports:** petroleum and petroleum products, precious metals, stones, gems and jewellery, minerals, chemicals and wood and wood products.

CEPA with other countries

- CEPA between India and South Korea was signed in 2009.
- CEPA between India and Japan was signed in February 2011.

19

Tibet returns as fulcrum point between US and China

Context:

Needling China, the US Congress passed The Tibetan Policy and Support Act (TPSA) to step up US support to Tibetans.

Background

- The TSPA is an amended version of the Tibet Policy Act of 2002, which came into existence during the Bush Administration.
- Over 60 years ago, the 14th Dalai Lama was forced into exile by the Chinese Communist Party's (CCP) full-scale military takeover of Tibet.
- To this very day, the Chinese Communist Party uses propaganda, violence, and oppression to assert totalitarian control over Tibet and the Tibetan people.
- The CCP sees Tibet culture and their religious heritage as a threat to its control.
- Now, the TPSA sends a loud and clear message to China that Tibet remains a priority for the United States and that it will continue its steadfast support for His Holiness the Dalai Lama and the Central Tibetan Administration.
- It recognizes the cultural and religious significance of an autonomous Tibet and seeks peaceful solutions to the conflict.

Analysis

What is the Tibetan Policy and Support Act, 2020?

- ➤ The **Tibetan Policy and Support Act of 2020** is part of a massive USD 2.3 trillion package for the year-end bill to provide long-delayed coronavirus relief and fund the federal government, modifies and reauthorises various programmes and provisions related to Tibet.
- ▶ Built on the landmark Tibetan Policy Act of 2002, the TPSA addresses Tibetan-



- human rights
- environmental rights
- religious freedoms
- the democratic Tibetan government in exile

■ Major highlights of the Act

- ▶ **Religious Freedom:** China is determined to dictate how Tibetans in Tibet practise their religion. The TPSA makes it an official US policy that only the Tibetan community has the right to appoint Tibetan Buddhist leaders.
- ➤ **Assistance to non-governmental organizations:** It authorises assistance to non-governmental organisations in support of Tibetan communities in Tibet.
- ➤ Office of Special Coordinator: The Act re-authorises the Office of the US Special Coordinator for Tibetan Issues and expands the office's duties to include additional tasks, such as pursuing international coalitions to ensure that the next Dalai Lama is appointed solely by the Tibetan Buddhist faith community.
- ➤ **Restriction on new Chinese consulate:** The Act directs the Secretary of State not to open a new Chinese consulate in the US unless China allows the opening of an American consulate in Lhasa.
- ➤ **Environment monitoring:** Expressing concern over the exploitation of natural resources of Tibet, in particular water, the Act seeks to pursue collaborative efforts with Chinese and international scientific institutions to monitor the environment on the Tibetan Plateau, including glacial retreat, temperature rise, and carbon levels, in order to promote a greater understanding of the effects on permafrost, river flows, grasslands and desertification, and the monsoon cycle.
- ➤ Financial assistance: The bill approves-
 - USD 1 million per annum for the Special US Coordinator on Tibet
 - USD 675,000 towards scholarship provisions
 - USD 575,000 for scholar exchange initiatives
 - USD 8 million for the Tibetan Autonomous Region and Communities in China
 - USD6 million for Tibetans living in India
 - USD 3 million for Tibetan governance

■ The Dalai Lama Factor

- ▶ The Act reaffirms the right of Tibetans to choose a successor to their spiritual leader.
- ➤ The TPSA makes it an official US policy that decisions regarding the reincarnation of the Dalai Lama are exclusively within the authority of the current Dalai Lama, Tibetan Buddhist leaders, and the Tibetan people.
- ➤ Any interference by Chinese government officials will be met with serious sanctions and deemed inadmissible into the United States.
- ► It expands the role of a special diplomat on Tibetan issues to pursue international coalitions to ensure that the next Dalai Lama is appointed solely by the Tibetan Buddhist community.

14th Dalai Lama

- The incumbent and the 14th Dalai Lama has been living in exile in India ever since his 1959 escape from Tibet, which had been occupied by the Chinese People's Liberation Army (PLA) in 1950-51.
- He has been leading the movement for "genuine autonomy" for Tibet and Tibetans.



Opposing views

United States

➤ Noting that the 14th Dalai Lama advocates the **Middle Way Approach**, which seeks genuine autonomy for the six million Tibetans in Tibet, the Act says that the Dalai Lama has overseen a process of democratisation within the Tibetan polity and devolved his political responsibilities to the elected 23 representatives of the Tibetan people in exile in 2011.

■ China

- ▶ Beijing views the 14th Dalai Lama as a "separatist" working to split Tibet from China.
- ➤ As of now, the Act says, the Central Tibetan Administration is the institution that represents and reflects, to the greatest extent, the aspirations of the Tibetan diaspora around the world, and Sikyong is the President of the Central Tibetan Administration.

What is China's take on the Bill?

- China strongly opposed the bill.
- The country claimed that issues involving Tibet, Taiwan and Hong Kong "concern China's sovereignty and territorial integrity," and urged the U.S. to "stop meddling in Beijing's internal affairs."

The country profile

- Tibet, the remote and mainly-Buddhist territory known as the "roof of the world", is governed as an autonomous region of China.
- Tibet has been occupied and ruled by China since 1951 in "a calculated and systematic strategy aimed at the destruction of their national and cultural identities."
- Beijing claims a centuries-old sovereignty over the Himalayan region.



- But the allegiances of many Tibetans lie with the exiled spiritual leader, the Dalai Lama, seen by his followers as a living god, but by China as a separatist threat.
- Tibet has internationally been recognised as one of the most unstable regions in the world, constantly featuring among the top targets of human rights violations.





- **Economy:** Tibet's economy depends largely on agriculture. Forests and grasslands occupy large parts of the country. The territory is rich in minerals, but poor transport links have limited their exploitation. Tourism is an important revenue earner.
- **Buddhism:** Buddhism reached Tibet in the seventh century.
- The Dalai Lama, or Ocean of Wisdom, is the leading spiritual figure
- The Panchen Lama is the second most important figure.
- Both are seen as the reincarnations of their predecessors.

The Indian Connection

- The 14th Dalai Lama continues to be in exile, in the upper reaches of Dharamshala town in the state of Himachal Pradesh, and Tibetans operate a **Government-in-exile** from there.
- While it allows Tibetans to live and work freely in the country, India has been careful so far to not play the 'Tibetan' card.
- However, China's acts of aggression this year in eastern Ladakh has some in India wondering whether New Delhi should adopt a more active Tibet policy.
- To that extent, India may consider a more coordinated approach with western nations, especially the US, on the critical issue of the successor to the 14th Dalai Lama.
- It may be time for New Delhi to work out a strategy in close consultation with the Tibetan government-in-exile and by keeping the US in the loop.

Is China's India policy influenced by Tibet?

- The Tibetan Policy and Support Act (TPSA) is an important strategic development for India too.
- Tibet has always been a thorn in the side of Sino-Indian relations.
- India's harbouring of the Dalai Lama and more than 150,000 Tibetan refugees has always evoked an angry response from China.
- To a large degree, China's India policy has been shaped by its interests in Tibet.
- The Chinese do not want to accept the fact that Tibet and India have had traditional relations that neighbours have.
- The most sacred sites of Hinduism, Kailash and Mansarovar, are in Tibet and, till the 1950s, a great deal of convergence, even between China and Tibet was through the port of Kolkata (then Calcutta).
- The fact that the Dalai Lama has taken refuge in India has deepened the Chinese unease about the role of New Delhi, not just in ongoing affairs, but also on his future re-incarnation plans.
- In part this is what drives the Chinese demand that the minimum condition for a border settlement would be India conceding Tawang, with its famous monastery, built in the seventeenth century at the instance of the Great Fifth Dalai Lama.

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US, Japan, Australia reviving 'Blue Dot'

Context:

The US, along with the Japanese and Australian governments, are reviving the 'Blue Dot Network' infrastructure initiative to provide an alternative to China's Belt and Road Initiative (BRI).



About 'Blue Dot Network'

- The Blue Dot Network was formally announced on 4 November 2019 at the Indo-Pacific Business Forum in Bangkok, Thailand during the 35th ASEAN summit.
- The project is led by the US's International Development Finance Corporation (DFC).
- Objective: The initiative is meant to galvanize the private sector investment in infrastructure development in emerging markets.
 - ▶ It is expected to serve as a global evaluation and certification system for roads, ports, and bridges with a focus on the Indo-Pacific region.
 - ➤ The projects that are approved will get a "Blue Dot", which would set universal standards of excellence to attract private capital to projects in developing and emerging economies.
 - ▶ It will be a globally recognized symbol of market-driven, transparent and sustainable infrastructure projects.
 - ▶ It will foster sustainable economic growth by promoting excellence in infrastructure development and supporting alternatives to predatory lending.
- **Principles:** The Blue Dot Network will use infrastructure development principles set by the G20 and G7 nations as a foundation for its standards.
- Support: OECD will provide technical and operational input to the global certification process.

India's role

The US wants India on board for the project, as it remains the only member of the Quadrilateral Security Dialogue (Quad) to not be a part of the Blue Dot Network.

Belt and Road Initiative (BRI)

- It is also known as the One Belt One Road (OBOR) initiative.
- It is a global infrastructure development strategy adopted by **China in 2013.**
- It aims to invest in nearly 70 countries and international organizations.
 - ➤ The infrastructure investments include ports, skyscrapers, railroads, roads, airports, dams, and railroad tunnels.
- The initiative includes the ancient 'silk route' revival and the maritime silk route also.

21

India should have permanent seat in UN Security Council, says US

Context:

President Biden stated unequivocally that India should have a permanent seat on the United Nations Security Council (UNSC), as per information provided by India's MEA after Quad summit.

About UNSC

 India, one of the founding members of the world body has been elected as a non-permanent member of the Council seven times during the years- 1950-1951, 1967-1968, 1972-1973, 1977-1978, 1984-1985, 1991-1992 and most recently in 2011-2012.



- The UNSC comprises 15 members, including:
 - ▶ 10 non-permanent
 - five permanent members
- The 193-member UNSC holds elections every year to elect five non-permanent members for a two-year term at the UN.
- Apart from this, there are five permanent members of the Council-China, France, Russia, the UK and the US.

India's entry to NSG

- President Biden also reaffirmed US support for India's entry to the Nuclear Suppliers Group (NSG).
- The NSG is a 48-member grouping which regulates global nuclear commerce.
- Ever since India applied for the membership of the NSG in May 2016, China has been insisting that only those countries which have signed the Non-Proliferation Treaty (NPT) should be allowed to enter the organisation.
- India and Pakistan are not signatories of the NPT. After India's application, Pakistan too has applied for the NSG membership in 2016.

22

Maritime Opportunities for India-France-Japan Trilateral

Introduction

- The Indo-Pacific has been regarded as the 'maritime underbelly' of Asia and it has now emerged as the world's economic "center of gravity".
- India, France, and Japan despite different geographies share similar interests in the region and are exploring new opportunities for trilateral cooperation especially in areas of maritime security.
- In this report, we shall look into possible areas of convergence and challenges in this trilateral relation.

Rising significance of Indo-Pacific

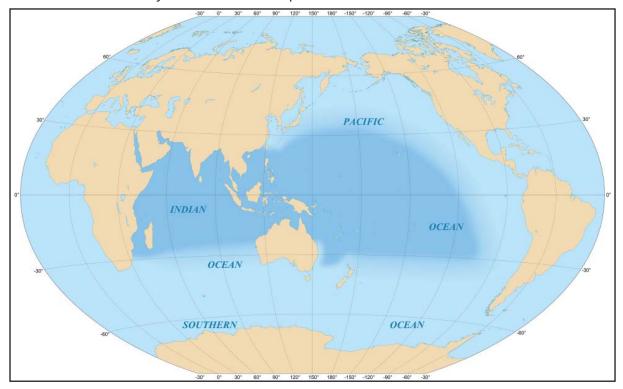
- In terms of geo-spatiality, the Indo-Pacific is broadly understood as an interconnected space between the Indian Ocean and the Pacific Ocean.
- The Indo-Pacific is adjudged to be the center of the globe in terms of politics and economics, as it contains the world's most crucial sea routes, the world's most populous nations at its rims, which are fueling high energy demands in the World and finally, a stretch encapsulating finest global commons.
- The strategic re-imagination of Indo-Pacific has been due to the following reasons:
 - China has become a dominant power in the region
 - ▶ The relative decline of the U.S. alliance system and its strive for a resurgence

What is India's strategy on Indo-Pacific?

• The Act East Policy of India provides a peek into India's imagination of the Indo-Pacific.



- New Delhi argues for a free and open Indo-Pacific, rules-based order characterized by freedom
 of navigation and settlement of disputes through dialogue.
- Furthermore, the focus is on SAGAR, i.e. Security and Growth for All in the Region approach for the Indian Ocean.
- PM recently advocated Seven pillars to ensure safety and security in the region, which includes:
 - ► Capacity Building and Resource Sharing
 - ▶ Disaster Risk Reduction and Management
 - ➤ Science, Technology and Academic Cooperation
 - Trade Connectivity and Maritime Transport



Opportunities for India-France-Japan Trilateral

- The Indo-Pacific has witnessed the rebalancing of powers various times over the last few years.
- Though the economic cooperation in the region has significantly grown, the geopolitical framework has remained uncertain.
- In this context, partnerships like the India-Japan-France trilateral become crucial, as the vision
 of a "free and open" Indo-Pacific cannot be achieved by a single country and requires collective
 efforts.

Let us understand the stakes involved for each of the three countries in the region.

Stakes for France

- Around 90 percent of French Exclusive Economic Zones are located in the Indo-Pacific, owing to its overseas territories like:
 - ➤ Scattered Island, Mayotte, and La Réunion Islands, Antarctic lands, and the French Southern in the southern Indian Ocean.



- ▶ Wallis-and-Futuna, New Caledonia, Clipperton and French Polynesia in the Pacific Ocean
- France has large military deployment in the region, tasked to ensure the protection of its territories, surveillance of the Exclusive Economic Zones, and Disaster relief operations
- France has a military presence at some strategic locations like:
 - ► From its presence in Djibouti, France can keep a check on the Suez Canal and Bab-el Mandeb
 - ➤ From its territories of Reunion and Mayotte, France is able to conduct naval patrols in the Mozambique Channel
- In order to strengthen its presence, France is working towards "interoperability" along with regional organizations like ASEAN and IORA.

Stakes for Japan

- Japan's international trade is highly dependent on the Strait of Malacca, which forms a passage between the South China Sea and the Indian Ocean. Therefore, a free and open indo-pacific is essential for Japan's economic interests.
- Repeated intrusions in the East China Sea by China has alerted Japan, and it wants to protect its interests in the region and protect Japan's claimed Senkaku Islands
- In order to combat chronic deflation in Japan's economy, the government has taken up various pivotal connectivity projects in the region. A stable indo-pacific is important for these Japanese investments to fructify.
- Japan sees India as an indispensable partner in its efforts towards Humanitarian Assistance and Disaster Relief in the region.

Stakes for India

- Navigating through political and security concerns around the assertive neighbour China, India requires reliable and like-minded partners.
- India seeks to uphold freedom of navigation in the Indo-Pacific and to serve as a net security provider in the region.
- India has been working to develop multilateral partnerships including maritime security partnerships with countries that equally have stakes in the region. This trilateral can prove to be a step in this direction.

Importance of the Indian Ocean Region (IOR) for India:

Energy security:

- India imports nearly 80% of its crude oil requirements, which mostly arrive in the country through sea route.
- Taking into account India's oil imports from sea, its offshore oil production and petroleum exports from sea, the country's cumulative dependence on sea for oil is estimated to be about 93%. Thus, IOR plays a crucial role in the country's energy security.

Trade security:

- Nearly 95% of India's trade by volume and 68 per cent of trade by value are routed via the Indian
- Any barriers in the flow of traffic can have huge impacts on India's economic objectives

Resources:

IOR is an important source of various resources for the country, like



- ► Fishing and aquaculture The industry provides employment to more than 14 million people and is a huge source of export.
- ▶ Minerals Polymetallic nodules present at the bed of Indian Ocean, can provide the country with various minerals such as manganese, nickel, cobalt, copper and iron hydroxide.

Security threats:

- India has a long coastline which makes it vulnerable from potential threats from the sea. Eg. The Mumbai terror attack was accomplished by perpetrators coming from the sea.
- India has some major cities and many nuclear installations are located along its coasts. These
 are under continuous threat from state and non-state actors. Thus, monitoring the condition of
 Indian Ocean becomes important.

Piracy:

• The presence of non-traditional threats like smuggling, piracy, human trafficking and illegal fishing also present major challenges. Hence, India's national interest can be secured only by a secure Indian Ocean.

Elements of India's approach to geo-politics of Indo-Pacific

- India sees the Indo-Pacific as an opportunity to expand its footprint across the region while facing significant capacity and capital constraints.
- Therefore, India places partnerships at the core of its Indo-Pacific interests.
 - ➤ Collaborations with bigger powers such as Australia, France, Japan, and the US have provided a greater platform for India to expand its diplomatic footprint
 - ▶ But, its relationship with smaller island nations in the region will also shape India's role in the Indo-Pacific to a great extent
- Geopolitics of the region presents new opportunities for India's great power ambitions, India's priorities and significant future investments will remain in the Indian Ocean.

Areas of Cooperation

- India, Japan, and France agree to the basic line of construction and share a common vision for Indo-pacific. These nations should understand the leverage of working together on many issues.
- Apart from maritime security, other areas of cooperation may include:
 - Curbing illegal and unregulated fishing, mainly by China
 - Managing climate change and its impact
 - Humanitarian Assistance and Disaster Relief (HADR)
- Indian Ocean Rim Association (IORA) where India is a founding member, France recently became a member, and Japan is an observer can be an effective platform to achieve pragmatic results in maritime security cooperation.
- There is also the possibility of extending the longstanding coast guard cooperation between India and Japan, to France, at least on a case-to-case basis.
- There is also a need to focus on thematic issues with a strong potential political impact—for instance, fisheries. Fisheries exploration is a strategic area that offers the greatest opportunity for political mobilization as it supports the economies of all three nations.
- The India-France-Japan trilateral partnership narrative is a collaborative framework that can help foster greater Asian stability and thereby help strengthen cooperation in the Indo-Pacific.



India-France-Japan Digital Partnership

- The Indo-Pacific region is the fastest-growing region in the world in terms of digital connectivity and internet adoptions. Africa has also seen a substantial increase in the proportion of its population that uses the internet
- However numerous issues remain. These include gender, income, and the education-based digital divide.
- Forfuture growth to sustain, these regions require physical infrastructures like telecommunication networks and undersea cables and social infrastructures like well-educated, digitally literate population
- A positive partnership between India, France, and Japan can bring a lot to the table
- Each of the three brings expertise to the table:
 - ► India ran the Pan African e-Network project and set up fiber-optic networks to "facilitate teleeducation, telemedicine and VoIP services,"
 - ➤ Japan has experience investing in digital infrastructure and digital literacy in Southeast Asia since the 1990s
 - France has managed a number of digital connectivity projects across Africa and South-East Asia

Key Issues in Digital Partnership:

- Cybersecurity and Data localization
- Privacy Concerns and Protection of Personal Data
- Content Regulation and Open Internet (Net Neutrality)
- Advanced Technologies (AI, 5G)
- Supply Chain Resilience

While the trilateral partnership between India-Japan-France is still in its formative stage, there has been strong India-France and India-Japan relations in many domains. Let us look at these bilateral relations in the following sections.

India - France Bilateral Relations

- France and India have traditionally had a close and friendly relationship.
- The countries entered into **Strategic Partnership** in 1988, as their views converged with regard to various international issues apart from a close and growing bilateral relationship.

Areas of cooperation

- Maritime security cooperation mainly in the Indo-Pacific region:
 - ➤ The countries participating in bilateral **naval Exercise Varuna**.
 - ▶ They exchange information in the area of maritime surveillance.
 - Heightened cooperation at multilateral bodies:
 - India's support to France's candidacy at the Indian Ocean Rim Association (IORA).
 - France chaired the **Indian Ocean Naval Symposium (IONS) in 2020,** which bought both the countries an opportunity to be closely associated with each other's priorities.
 - ➤ **French military bases** in Abu Dhabi, Djibouti, and Reunion Island can provide a multiplier effect to India, which is looking to build naval facilities in Mauritius, Oman (Duqm), and Seychelles (Assumption Island).
- Space



- ➤ The French (CNES) and Indian (ISRO) space agencies signed an MoU in 2015 which increased cooperation projects, like:
 - A joint mission of **India's Oceansat-3 satellite** was finalized hosting France's Argos system for climate monitoring and tracking.
 - A jointly developed satellite, Trishna, for thermal infrared imaging was also finalized.
 - France is also considering contributing to India's space agency, **ISRO's**, **upcoming interplanetary missions to Mars and Venus**.
- ➤ A **Joint Vision for Space Cooperation signed in 2018** has led to coordination in **space and maritime collaborations.** This has enabled the commencement of work on a constellation of micro-satellites for maritime surveillance.

Political/foreign relations:

- ► France has emerged as India's one of the most reliable partners on issues relating to terrorism and Kashmir.
- ➤ France has supported India's candidacy for a seat as a **permanent member of the United Nations Security Council (UNSC)** and also **supported India's membership in various multilateral export control regimes** like MTCR (2016), Wassenaar Arrangement (2017), the Australia Group (2018).

o Defense relations:

- ► France and its defense industry has actively **contributed to India's defence sector and its** "Make in India" program.
- ➤ The **first conventional submarine**, **Scorpene**, was built in India with technology transfer and support from the Naval Group (formerly known as DCNS).
- ▶ India acquired **36 Rafale fighter** jets from France in September 2016.

o Counter-terrorism:

➤ As terror strikes have increased in France in recent years, it has enlarged the scope of counterterrorism cooperation between both countries to include cybersecurity and discussions on radicalization.

Bilateral Trade in Goods:

- ➤ France has emerged as a major source of FDI for India, with it being the 10th largest foreign investor in India.
- ➤ France has focused its attention on cities of Nagpur, Chandigarh and Puducherry under the **flagship program of Smart Cities.**

o Nuclear field:

France will help in building the Jaitapur Nuclear Power plant in Maharashtra.

• Educational relations:

- ▶ Here, the most significant focus has been on youth and student exchanges.
- ➤ Currently, only about 2,500 Indians go to France annually to pursue higher education, while more than 250,000 go from China.

o Combating climate change:

- ► France and India actively strengthened their cooperation under the 2015 Paris Agreement on Climate Change. Together, they spearhead the implementation of this Agreement.
- ➤ They jointly launched the **International Solar Alliance**.

India-Japan Bilateral Relations

 Relations between India and Japan date back to the 6th century, when Buddhism was introduced in Japan.



- Thus Indian culture had a huge impact on Japanese culture, and became a source of Japanese people's closeness to India.
- After World War II ended, Japan was struggling, in this situation India's iron ore helped a great deal in Japan's recovery.
- India and Japan's relationship then prospered due to their common vision of peace, stability and shared prosperity, based on sustainable development.
- The global partnership between India and Japan reflects a broad convergence of their long-term political, economic and strategic interests.

Current Engagements

Maritime cooperation:

- ▶ India Japan engage in Maritime bilateral exercise JIMEX.
- ➤ Japan is also a participant in the MILAN multilateral naval exercise hosted by the Naval Wing of the Andaman and Nicobar Command.
- > Japan is also a permanent member of the Malabar exercise with India and the US.

o Defense Cooperation:

- > 2+2 Ministerial-level Dialogue Foreign and Defence Ministers' Meeting
- ➤ "Acquisition and Cross-Servicing Agreement" (ACSA) has been concluded between India and Japan that focuses on sharing of military logistics for greater interoperability.

• Economic Cooperation:

- > Japan has made significant investments in many infrastructure projects in India, like:
 - Dedicated Freight Corridor (West) between Mumbai and Delhi
 - Delhi Mumbai Industrial Corridor (DMIC) Project
 - Metro rail projects in different metropolitan cities. Eq. Chennai Metro Rail Project
- ➤ Japanese private-sector's interest in India has been rising, and, currently, many Japanese companies now have branches in India.
- ▶ India and Japan formed the Act East Forum, which is engaged in projects in the Northeast.
- ➤ The two countries have also planned joint projects in Maldives and Sri Lanka among others to counter Beijing's influence.
- Japan recently mooted the Supply Chain Resilience Initiative (SCRI), as a trilateral approach
 to trade, with India and Australia. This was suggested in light of COVID-19 pandemic and the
 ongoing trade war between China and USA, which had disrupted the Global Supply chains.
- The pandemic opened new avenues of cooperation between India and Japan, such as healthcare, non-traditional security and global governance, including reform of the UN and affiliated bodies such as the WHO.

Need for Reforms in UN

Context:

 The United Nations Security Council (UNSC) is one of the six principal organs of the United Nations, charged with the maintenance of international peace and security as well as accepting new members to the United Nations and approving any changes to its United Nations Charter.



 However, with North Korea, the Rohingya refugee crisis in Burma and climate change among a host of looming global issues, there is a need for reforms in the bureaucratic and administrative structure to bring transparency and equality in the world organization.

Thinking Line

• The United Nations Security Council (UNSC) is one of the most important multilateral institutions having the ambition to shape global governance and the only organ of the global community that can adopt legally binding resolutions for the maintenance of international peace and security and, if necessary, authorize the use of force.

o Its objectives include:

- ▶ Maintaining international peace and security.
- Promoting human rights.
- ➤ Fostering social and economic development.
- ▶ Protecting the environment.
- > Providing humanitarian aid in cases of famine, natural disaster, and armed conflict.

Why reforms needed?

- The United Nations Security Council is in need of reform due to its failure to represent the majority of the world, as it only represents the interests of Western nations as well as those of Russia and China.
- This leads to grievous under representation of Asian, African, and South American nations that has caused resentment to grow among these nations. Reform is needed to remove the "Democracy Deficit".
- Geo political rivalry among the P5 has prevented the UNSC to come up with effective solutions for dealing with global crisis. EX Syria. Ban Ki Moon, has said that UNSC has failed Syria.
- UNSC failed to play decisively to stop many of the conflicts. Its delayed actions and consequences had worsened Rwandan crisis. It is also been criticized for not taking a forceful action until a catastrophe unfolds
- Lack of transparency, a failure to cooperate with the various other committees of the UN, and outstanding misuse of the veto power given to the top 5 is also the main issue. These top 5 nations use this veto power to represent their interests alone, disregarding the desires and wishes of the rest of the international community.

Reforms proposed

India, along with Brazil, Germany and Japan, has proposed an increase of six additional permanent seats, the other two being for Africa. The African group is demanding two permanent seats, recognized as reasonable by every member, but there are at least three and perhaps more claimants for the two seats. Then there is the question of the rights of the additional members.

Opposition by P-5

The P-5 will never agree to give up their veto right, nor will they agree to accord this right to any other country. (France supports veto for additional permanent members.) Also, the general membership of the UN wants to eliminate the existing veto; they will never agree to new veto-wielding powers. Variants of the veto provision have been suggested, such as the requirement of double veto, i.e. at least two permanent members must exercise veto for it to be valid. The P-5 is not willing to dilute their self-acquired right.



Why India should be made member of it?

- India is world's largest democracy and soon become world's largest population and stable Democracy.
- Nuclear status, changing economic scenario of the nation.
- She is leading contributor of troops to UN peacekeeping missions. India has over 8000 peacekeepers, which is more than twice that of the P5 group.
- On the economic side, India has maintained the state of World's 7th largest economy. Being the
 3rd largest active armed force, along with nuclear weapons, India's candidature is justified.
- Permanent membership is critical for India for following reasons: to improve India's global stature, to help India reach at comparable level with its rival China, to secure its neighborhood from future combined interventions, if any; to bring equality of treatment and be the natural leader of developing countries in security council.

Benefits to India if the UN Security Council is reformed:

- India can tackle human rights violations in our neighbour countries Sri Lanka (After civil war crimes), Myanmar (Rakhine Muslims), Afghanistan (Gender inequality) with more authority and can bring them to notice in UNSC.
- Indian Ocean can be declared as "Zone of Peace". This will stop China from deploying submarines in strategic locations engulfing India with its "String of Pearls" policy.
- To protect interests, India can enforce Pakistan to stop supporting terror elements and let nonstate actors use its soil for terrorist actions.
- As regional representation increases, India can represent or lead other countries to stop western forces (USA, UK, and France) from promoting their vested interests. Invasion of Iraq, bombing of Libya, non-recognition of Palestine state are few examples.
- Having UNSC permanent membership, India can have leverage in geopolitics, military, economic and political groupings and negotiations.
- In areas like Intellectual property rights, maritime issues, border conflicts etc. Indian voice will be represented and heard by world countries.
- Indian Diaspora across will also benefits if any issues arise like unfair treatment to diplomats, racial attacks, providing equal opportunities in foreign countries, protection against arbitrary laws of international countries. This enables building soft power.

Way forward:

- To regain its "lost legitimacy" the council should change to reflect new world realities.
- Instead of looking to completely overhaul the Council, which is a big task as it requires
 consensus on all aspects of the reform, a series of smaller reforms on working methods, for
 example, could be achieved which are more favourable to the Permanent Members and will
 result in the legitimacy of the Council gradually improving.
- The current 'all or nothing approach' is causing negotiations to fail continuously, which is further undermining the legitimacy of the UN as a whole. It would be better for members to reach consensus on one aspect of reform.
- The member states should work together rather than in a series of groups constantly vying against one another.
- As has been done in the past, the Secretary General could appoint a High Level Panel to research
 proposals and outline what they believe would be best way to reform the Council. This Panel
 would operate independently of states therefore would be free of the political constraints of



states, but would work closely with states to come up a plan that is most likely to be accepted. This report of the Panel would be followed up with a high level meeting of the PMs and other members of the Security Council which would give the states the opportunity to negotiate on text-based specific proposals.

- States must be willing to compromise in order to move the reform process forward, which means they may need an incentive to change their policy towards reform.
- They must work closely with NGOs and other intergovernmental organizations to reach a solution for reform which best addresses the deficiencies in the current Council.

24

Virtues of Soft Power

Context:

- The term "soft power" -- the ability of a country to persuade others to do what it wants without force or coercion -- is now widely invoked in foreign policy debates.
- Historically, the attention to power has revolved around material capabilities such as military.

What is Soft Power?

- Soft power works on persuasion, aiming at furthering a country's 'attractiveness'. It is based on three main categories of a country's resources -culture, political values, and foreign policies.
- Soft power is a concept developed by Joseph Nye of Harvard University to describe the ability to attract and co-opt, rather than by coercion (hard power), which is using force or giving money as a means of persuasion.

The interplay between hard and soft power

- Hard and soft powers are related because they are both aspects of the ability to achieve one's purpose by affecting the behavior of others. The distinction between them is one of degree, both in the nature of the behavior and in the tangibility of the resources.
- Command power- the ability to change what others do can rest on coercion or inducement. Co-optive power- the ability to shape what others want, can rest on the attractiveness of one's culture and values or the ability to manipulate the agenda of political choices in a manner that makes others fail to express some preferences because they seem to be too unrealistic.
- The types of behavior between command and co-option range along a spectrum from coercion to economic inducement to agenda-setting to pure attraction. Soft power resources tend to be associated with the co-optive end of the spectrum of behavior, whereas hard power resources are usually associated with command behavior.
- Hard and soft power sometimes reinforces and sometimes interferes with each other. A leader who courts popularity may be loath to exercise hard power when he should, but a leader who throws his weight around without regard to the effects on his soft power may find others placing obstacles in the way of his hard power.

The limits of soft power

 Limitation or attractions do not add up to power. Some imitation or attraction does not produce much power over policy outcomes, and neither does imitation always produce desirable outcomes.



- For example, armies frequently imitate and therefore nullify the successful tactics of their opponents and make it more difficult for them to achieve the outcomes they want. But attraction often does allow you to get what you want.
- The deliberate acts of command and control are ignoring the second or "structural" face of power, the ability to get the outcomes you want without having to force people to change their behavior through threats or payments.
- All power depends on context- who relates to whom under what circumstances but soft power depends more than hard power upon the existence of willing interpreters and receivers.
 Moreover, attraction often has a diffuse effect of creating general influence, rather than producing an easily observable specific action.
- Goodwill may not ultimately be honored, and diffuse reciprocity, is less tangible than an immediate exchange. Nonetheless, the indirect effects of attraction and a diffuse influence can make a significant difference in obtaining favorable outcomes in bargaining situations. Otherwise leaders would insist only on immediate payoffs and specific reciprocity, and we know that is not always the way they behave.
- Soft power is also likely to be more important when power is dispersed. A dictator cannot be totally indifferent to the views of the people under his rule, but he can often ignore popularity when he calculates his interests. In settings where opinions matter, leaders have less leeway to adopt tactics and strike deals.

Why soft power diplomacy is important?

- Soft power is the ability to influence other actors through persuasion to produce the desired behaviour as opposed to 'hard' power which relies on threats. An analogy commonly used is that of sticks- hard power and carrots- soft power.
- Growing interdependence and globalization is a factor in 'soft' powers growing importance. Given the concept of a growing 'world without borders' this implies the increasing cross-border flows of images, information, ideas and even people. This makes it easier to achieve common goals through cooperation and working together as opposed to competition.
- Globalization is also seen to have impacted our understanding of cultures and values of other states- cities such as London have over 300 languages being spoken. Theoretically, this increased understanding of one another which puts an emphasis on cooperation. The recent legacy of the use of 'hard' powers has made it increasingly unpopular.
- However, in most circumstances hard and soft power operates in tandem. The idea of 'smart power', is gaining importance which means soft power backed up by the possible use of hard power.

Soft power has always been a key element of leadership. The power to attract, to get others from what you want, to frame the issues, to set the agenda, has its roots in thousands of years of human experience. Skillful leaders have always understood that attractiveness stems from credibility and legitimacy. Power has never flowed solely from the barrel of a gun; even the most brutal dictators have relied on attraction as well as fear.

Conclusion

An internally divide India cannot play any role externally. The 'strategic community' should concentrate on reinforcing this real soft power of India, which is what the rest of the world appreciates and not lose time and resources in peripheral ventures that bring no lasting benefit.



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China's Presence in Arabian Sea & its Implications on India

Context:

As China aspires to become a global power and challenges the existing world order and creates permanent overseas bases, hosting warships overseas and long range strategic aircrafts, lending muscles to China's diplomacy.

It signals China's arrival on the global stage as a power capable of guarding its interests worldwide. One such region in which China is increasing its presence is Arabian Sea. What will be the impact of it on India?

China's Relations With Other Countries

- China's relations with the littoral countries in Arabian Sea region including through trade, investment, defence exchanges and arms supply, nuclear cooperation and infrastructure development is a matter of concern for India.
- Further, management of operations of Gwadar Port in Pakistan, which was built by Chinese companies with Chinese official financial assistance, has been taken over by a Chinese company. China along with the Pakistani navy would deploy its naval ships to safeguard the strategic Gwadar port and trade routes under the \$46 billion China-Pakistan Economic Corridor (CPEC).
- China and Pakistan are currently building the nearly 3,000-km economic corridor linking Pakistan's Gwadar port on the Arabian Sea with Xinjiang to improve connectivity between the two countries. The move would open up a new and cheaper cargo route for transporting oil to China as well as export of Chinese goods to the Middle East and Africa.
- China's 'One Belt, One Road' (OBOR) initiative, particularly the Maritime Silk Road component, is an ambitious plan to connect China to Europe and Africa through land and sea. Fundamentally an economic initiative, it has an inherent military component too.
- The growing threat of piracy in the Gulf of Aden and Indian Ocean has provided China with the perfect pretext to enact this policy and establish a naval presence in the Arabian Sea and its branches.

What are its implications for Indian Security?

The emergence of a Chinese Blue Water Navy with ambitions of global reach and force-projection ambitions carries serious implication for Indian security. Primarily, it will impact Indian naval ambitions to be the predominant naval power in the Indian Ocean and India's growing legitimate naval interests in the Western Pacific.

- The India-China border dispute was largely a land-air contingency. Now, the People's Liberation
 Army Navy presence in the Indian Ocean Region(IOR) adds the third dimension and needs to
 be factored in future planning and preparations.
- India also depends on Middle East for its energy supplies. Presence of Chinese naval forces in this region will make Indian much more vulnerable.
- China is an all-weather friend of Pakistan. Continued Chinese presence will significantly alter the power balance in Indian Ocean and South Asia. It will give more wings to Pakistan anti-India designs.
- India has been actively engaged in strategic dialogues with West Asian countries. Increasing Chinese presence in Arabian Sea, with more resources as compared to India will give effect Indian diplomacy in the region.



- Forgetting the Indian imperatives of 'sea control' of the Indian Ocean, India even to exercise 'sea-denial' capabilities would require a significant expansion in quick-time of Indian Navy combat and surveillance assets.
- It will impact the peace and stability of Indian Ocean.

What should be the Indian Response?

- India will have to significantly bolster its naval capabilities, with higher allocation and higher indigenization as the main thrust areas.
- Case exists for Indian Navy to organize a third fleet in addition to its Western Fleet and Eastern Fleet. A dedicated "Indian Ocean Fleet" is an imperative now. Also India at all times must have four Aircraft Carrier Groups.
- Given India's high stakes in the Indian Ocean, it is important for it to ponder the possibility of using both soft and hard power resources to create dependencies for the other countries, and the same time, seek possibilities to engage with China.
- India can take strategic call of increasing its naval presence in South China Sea; increase its strategic engagement with other likeminded countries like US, Japan, Vietnam etc. Malabar exercise, Chabahar port etc. are a response to increasing Chinese influence in Indian Ocean region.

26

The Refugee Crisis

Context:

- Model laws on asylum and refugees that were drafted by the National Human Rights Commission (NHRC) decades ago but not implemented by the government needs to be revised by an expert committee.
- The issue also assumes significance in the wake of 'Ukraine Crisis' and the flood of refugees.

About

Understanding Refugee, Asylum - Seeker and Migrant:

- Refugee: Refugees are persons who are outside their country of origin for reasons of feared persecution, conflict, generalized violence, or other circumstances that have seriously disturbed public order and, as a result, require international protection.
 - ➤ The refugee definition can be found in the **1951 Convention** and regional refugee instruments, as well as UNHCR's Statute.
 - India has welcomed refugees in the past, and on date, nearly 300,000 people here are categorised as refugees.
 - The bulk of the refugee population in India originates from **Sri Lanka, Tibet, Myanmar and Afghanistan.**
- **Migrant:** While there is no formal legal definition of an international migrant, most experts agree that an international migrant is someone who changes his or her country of usual residence, irrespective of the reason for migration or legal status.



- ➤ Generally, a distinction is made between short-term or temporary migration, covering movements with duration between three and 12 months, and long-term or permanent migration, referring to a change of country of residence for duration of one year or more.
- Asylum-seeker: An asylum-seeker is a person who has left their country and is seeking
 protection from persecution and serious human rights violations in another country, but who
 hasn't yet been legally recognized as a refugee and is waiting to receive a decision on their
 asylum claim.
 - Seeking asylum is a human right.
 - ▶ This means everyone should be allowed to enter another country to seek asylum.

What are the Legal Framework present in India?

- India is neither a signatory to the 1951 UN Refugee Convention relating to refugee status nor
 of its 1967 Protocol.
- India is not a signatory to the 1951 United Nations Convention and 1967 Protocol Relating to the Status of Rugees, and it does not currently have a national law on refugees.
- The refugees and asylum seekers were entitled to the rights in Articles 14, 20 and 21 of the Constitution.
- In India, all foreign nationals including refugees, asylum seekers and stateless persons are governed by the provisions contained in the:
 - ➤ Foreigners Act 1946
 - Registration of Foreigners Act, 1939
 - ➤ Passport Act 1920
 - ➤ Citizenship Act 1955
- **Foreigners Act, 1946:** The **Foreigners Act, 1946**, gives the central government the right to deport a foreign national.
- Passport Act, 1920: According to the Passport Act, 1920, it is mandatory for anyone entering India through water, land or air to possess their passport and also prohibits the entry of the person not possessing the document.
- As the **Citizenship Act 1955**, an illegal immigrant can be:
 - ➤ Foreign national who enters India on valid travel documents and stays beyond their validity, or
 - Foreign national who enters without valid travel documents.
- While law and order is a **State subject** under the **Indian Constitution**, international relations and international borders are under the exclusive purview of the Union government.
- This has resulted in a variety of agencies, both of the Central as well as the State governments, having to deal with refugee matters connected with law enforcement.
- **Article 51** states that the state shall endeavour to foster respect for international law and treaty obligations in the dealings of organized people with one another.
- In 2011, the Union government circulated to all states and Union Territories a Standard Operating Procedure to deal with foreign nationals who claimed to be refugees.
- So, in a nutshell, India does not have on its statute book a specific and separate law to govern refugees.

What are the challenges faced by refuges?

Limited access to quality education



- Compromised mental health and the threat of 'lost' childhoods
- Separation from families and greater vulnerability
- Shifting family dynamics and responsibilities
- Isolation in host community
- Concern's work with refugee children

Why India needs a Refugee Law?

- Easy and effective management: A sustainable refugee policy is a necessary step
 to intelligently manage population movements and ensure transparency and predictability in
 our administrative actions.
- **Managing leadership:** A national refugee management law will be in keeping with India's leadership role in the region and amongst developing nations.
- Coordination for betterment: The legislation will clarify the roles of different agencies —
 governmental, judicial, UN involved in refugee protection and lay down the procedures of
 coordination amongst them.
- **Avoiding friction:** It would also help avoid friction between the host country and the country of origin.
- **Setting example:** Other states would recognise the move to grant asylum as a peaceful, humanitarian and legal act, and not an arbitrary political gesture.
- **Platform for dialogue:** It will also provide a platform for dialogue on sharing responsibility and aid the search for durable solutions to the root causes of a refugee problem.
- **Finding the right balance:** Some countries provide initial help to refugees, after which they are expected to fend for themselves. A few countries have treated refugees like charity cases. Finding the right balance between the two is what a national refugee law can help achieve.

27

India' Advancement in Defence Technology and its Impact on "Act East Policy"

Context:

Historically, India's "Act East Policy" has been evolved on the contours of economic, strategic and cultural relations with the Asia-Pacific regions. In addition to these, the defence has always been an integrated part of it. It has gained immense importance in contemporary international relations where a notable shift has been evident in the last few years.

Background

- Act East Policy (2014) and its predecessor-*Look East Policy (1991)* are somewhat similar except the fact that the latter had not given much importance to defence and security aspects.
- 'Act East Policy' represents a continuing phase of India's policy towards the Asia-Pacific region.
- If we ponder upon its humble beginning, since its launch a lot has been changed, be its global status or the external environment.
- It is time to intensify our economic, strategic and diplomatic relations with the countries in the region with whom we share common concerns amid China's growing economic and military strengths.



Analysis

Act East Policy (2014): Act East Policy has been primarily focused on the inclusive set: ASEAN countries + Economic Integration + East Asian countries + Security cooperation.

Security is an important dimension of India's Act East Policy.

- In the context of growing Chinese assertiveness in the South China Sea and the Indian Ocean, securing freedom of navigation and India's role in the Indian Ocean is a key feature of Act East Policy.
- In pursuance of this, India has been engaged under the narrative of Indo-pacific and informal grouping called **Quad**.

India's Act East Policy is based on 4C's:

- Culture
- Commerce
- Connectivity
- Capacity building

China as a Potential Concern:

 China has been working on disruptive technologies like AI, advanced robotics, quantum computing, hypersonic systems, new materials and renewable energy to establish military dominance through 'informatisation' and 'intelligentisation'.

Intelligentisation is the uniquely Chinese concept of applying AI's machine speed and processing power to military planning, operational command, and decision support.

- With its Act East policy, India hopes to deepen its political, economic and security relationships with the countries of Southeast Asia and the wider Indo-Pacific. Balancing against the rise of China is a key driver.
- Between 2012 and 2018, Beijing upgraded its bilateral relations with almost all ASEAN memberstates to either 'strategic cooperative partnership' or 'comprehensive strategic cooperative partnership'.
- According to global arms transfer data, a bulk of Chinese arms exports are made to India's neighbourhood-Pakistan, Bangladesh, Myanmar and Sri Lanka.
- Several ASEAN countries such as Brunei, Indonesia, Malaysia, the Philippines and Vietnam are currently locked in territorial dispute and maritime claims with China in the South China Sea.
- The latest issue has been the bitter standoff between India and China across LAC in eastern Ladakh. Concerns have also been raised about the China building bridge across Ladakh's Pangong Lake.

Complex Relation of China with the Countries in the Region:

- Australia and South Korea: China's rise has compelled Indian outreach to forge stronger defence partnerships. India wants to deepen security ties with both the economic power as both countries have shown concern about China's stance on the South China Sea dispute.
- Vietnam: It has a long history of disputed relationships with China, characterised by distrust
 and fundamental differences. Vietnam is also found shunning Huawei's (Chinese company) 5G
 network. Vietnam is committed to protecting its sovereignty and territorial rights.
- **Philippines:** The Philippines has been historically Washington's ally. It has shown concerns over China's activities in the South China Sea.
- **Singapore:** Its status has been oscillating between a region of vital interest for the USA and reality on the doorstep for China. It's sensitive about its security and wants to retain its independent voice in the region.



- Myanmar: There is a strong Chinese presence in terms of trade and investments in Myanmar. China-Myanmar Economic Corridor as a part of BRI initiative. Myanmar offers access to China in the Bay of Bengal region. But Myanmar has retained its distrust across a succession of Myanmarese regimes.
- **Indonesia:** Chinese ships have been found to trespass Indonesian waters, and Chinese coast guard vessels and fishing boats enter Indonesia's territories.
- Malaysia: Despite China's regular presence in Malaysia's maritime economic zone, Malaysia has avoided confrontations. In December 2019 it submitted a petition with the United Nations "to better delineate its continental shelf claims in the South China Sea.

ASEAN member's responses to China:

The positions of individual member states of ASEAN with China can be categorised as bandwagoners, hesitant hedgers, and active hedgers.

Bandwagoners	Hesitant hedgers	Active hedgers
Laos	Philippines	Singapore
Brunei	Malaysia	Vietnam
Cambodia	Myanmar	
	Thailand	
	Indonesia	

India's Role in the Region:

- **Net Security Provider**: India can become a reliable weapons supplier for several of our friendly nations, this will give India's strategic partnerships more heft. It will also shape India's position as a net security provider in the Indian Ocean Region.
- **Reliable weapon supplier to friendly nations:** It would shape India's position as a net security provider in the Indian Ocean Region by emerging as a reliable weapon supplier to friendly nations, a resolve that is linked to the goal of self-reliance in defence manufacturing.
- Reinforcing partnership in weapon manufacturing: It would reinforce India's strategic partnerships as the roadmap for greater participation of the private sector in weapon manufacturing and invited foreign players to set up shops given the reforms being unrolled in FDI and labour rules.
- Making the global economy more resilient: The *Atmanirbhar initiative* is not inward-looking but was aimed at making the global economy more resilient and stable and was directed at the goal of world peace.

Importance of being Self-Sufficient in Defence:

- Better management of Balance of Payments (cutting on imports)
- Less dependence on supplier during times of emergency
- Employment generation
- Capacity building
- Boost to innovation
- Futurist technology programs



• Countering China's expansion: India's self-reliance in defence technology not only secure its territories from the territorial uncertainties but also offer a means to counter Chinese aspirational strategist infrastructural projects like BRI and its increasing interference in the region. Certainly, it offers India an opportunity to attract the countries in the region and work harmoniously with them through the economic and defence ties to counter Chinese aggression and distrust.

Reforms in Indian Defence Sector:

- Changes in foreign direct investment (FDI) regulations: India changed its foreign direct investment (FDI) regulations to allow investments of up to 74 per cent in the defence manufacturing sector under its automatic route, which was previously limited to 49 per cent. This is an important decision for a sector that is struggling to attract investment.
- Implementing a negative import list of 209 weapons systems: It has been renamed as the 'positive indigenisation list'. The government wants to reduce the dependence on imported items in defence and give a shot in the arm to the domestic defence manufacturing industry.
- Establishment of Defence Industrial Corridors: The centre has decided to set up two defence corridors in Tamil Nadu and in Uttar Pradesh to line up the domestic production of defence equipment's by the public sector, MSMEs and private sector. The aim was not just self-reliance but to 'Make for the world', emphasising that exports would be a priority area in the coming years. This will help India to establish a manufacturing ecosystem
- Corporatisation of the 'Ordnance Factory Board': Corporatisation of the Ordnance Factory Board would be one of the biggest reforms in defence manufacturing in decades.

Recent developments:

- 'BrahMos' supersonic cruise missiles to Vietnam and the Philippines: India is likely to sell its BrahMos cruise missiles to Vietnam and the Philippines to boost its defence export market and have an edge over China. Vietnam is also procuring 12 Fast Attack Crafts and is also interested in Advanced Light Helicopters and Akash surface-to-air missiles.
- Increased share in global arms exports: India increased its share of global arms exports by 228%, from 0.1% between 2011-2015 to 0.2% between 2016-2020. Its top recipients include Myanmar, Sri Lanka, and Mauritius.

Items that India can Export:

- AK-203 Riffles
- BhraMos missile systems
- Arjun Mk-1A tank
- LCA/Helicopters
- Radars
- Bulletproof jackets
- Multi-purpose light transport aircraft
- Warships and Patrol Vessels

Conclusion:

• Wars of the future will be different from traditional warfare. It is going to be a contactless, non-kinetic war, which shall be governed from the space. India has a bigger role to play amidst geopolitical and geostrategic shifts in the Indian Ocean Region where on one hand United States bats for 'Free and open Indo-Pacific' and China's BRI and maritime claims on the other.



o India is presently exporting to 42 countries defence-related equipment or systems and it is just the beginning, a lot of development is yet to be seen. To ensure that the vision of selfreliance should **not become a euphemism for protectionism** it has already made platforms like Innovations for Defence Excellence (Idex) initiatives, start-up forums and giving requisite importance to the collaboration of countries from ASEAN and the Indian Ocean **Region.** It is going to open a new chapter in the direction of establishing India as a net security provider, further adding to its Act East Policy.

