Nearly 2,500 years ago the Greek historian Thucydides noted that the foreign policy of Athens was driven by fear, interest and honour. That these motives continue to drive policy even today is reflected in the three approaches most commonly employed in the study of international relations: realism and neo-realism, which emphasise the pursuit of power and security in an anarchical international system characterised by the security dilemma; liberalism and neo-liberalism, which highlight interdependence and the pursuit of economic interests; and institutionalism and constructivism, which stress upon identity and the quest for prestige and social recognition. How does India’s approach to its Asian neighbourhood fit within this three-dimensional framework of fear, interest and honour? That is the question which this commentary explores.

Threats and challenges
India faces one immediate and specific challenge and a second more long-term and general challenge. The specific and immediate challenge stems from Pakistan, a country whose founding ideal is antithetical to the very idea of India as a multi-religious, multi-ethnic, multi-lingual and multi-racial democracy, a country which in the past has initiated wars to annex Indian territory, and a country that continues to sponsor terrorist groups against India. Pakistan’s growing nuclear arsenal and its efforts to field tactical battlefield nuclear weapons to deter even a limited Indian military response to grave terrorist provocations are further complicating India’s security calculus. The pressing challenge before India is not only how to deter Pakistan from initiating an open military conflict but also how to deter Pakistan from continuing to sponsor terrorist attacks in Indian territory.

While the threat posed by Pakistan is specific and immediate, the more general and longer term challenge to India emanates from China. China continues to make expansive claims on Indian territory, is steadily enhancing its ability to prosecute a fast-paced limited war against India, and has played a critical role in building up Pakistan as a counterweight to India including by providing assistance for Pakistan’s nuclear weapons and ballistic missiles programmes. Of even greater concern in recent years has been China’s growing footprint in the part of Jammu and Kashmir under Pakistan’s occupation. Apart from increasing its investments in infrastructure projects in this region, China is also collaborating with Pakistan to expand the Karakoram Highway.
and thus enhance its ability to come to Pakistan’s assistance in the event of a conflict with India. Reports about China stationing a few thousand combat engineers in this region have further raised concerns in India about a combined China–Pakistan military challenge. Indeed, the Indian armed forces have begun to prepare for a two-front challenge in the last few years.2

In addition to these direct national security considerations, India has also begun to worry about the consequences of China’s rapid emergence as Asia’s most powerful resident power, a power that is moreover becoming increasingly assertive about revising the territorial status quo in Asia and harbours ambitions of forging a new international order. Notwithstanding prognostications about India’s emergence as a peer competitor of China, the fact remains that China is likely to maintain its lead over India in the foreseeable future. China’s economy, which is the second largest in the world, is four times as large as India’s; and its defence budget, which is the largest in Asia, is three times as large as India’s. In keeping with its emergence as the ‘factory’ of the world and as a source of investment around the world, China’s influence has spread across Asia and the Indian Ocean Region. China has brought the Central Asian countries under its leadership through the Shanghai Cooperation Organisation. Despite Myanmar’s recent opening up, China continues to retain tremendous influence in that country. And China’s economic presence in, and defence cooperation with, Sri Lanka, Bangladesh, Nepal and the small island countries of the Indian Ocean are steadily expanding. China’s objective in seeking a presence and influence in the countries of the Indian Ocean littoral has been described as a ‘string of pearls’, designed to ensure the security of its sea lanes of communication. But China’s spreading influence in the maritime domain has given rise to concerns in India that the ‘string of pearls’ could well become a garrotte around India’s neck.3

China’s rise and growing influence has set in motion a fundamental transformation in India’s external environment. While Indian and Chinese leaders have repeatedly stated in recent years that there is enough space in the world for the two countries to ‘grow’ and ‘achieve common development’ and that there are ‘enough areas’ where they can ‘enhance cooperation’, there is no gainsaying the fact that each is wary of the other and competition and even the possibility of conflict are ever present in their calculi. Irrespective of whether competition trumps cooperation or cooperation prevails over competition, India is unlikely to acquiesce to playing a second-tier role in a unipolar, China-dominated, Asia. Instead, India will seek, and is indeed already seeking, to construct a balance of power equilibrium that preserves a multipolar Asia in which it is able to craft an independent role for itself.

Interests
India’s foremost interest is the structuring of a stable and peaceful external environment that fosters economic interdependence and thus remains conducive for domestic social, economic and political development. That a stable and peaceful Asian environment has become critical for India is evident from the following:

- India’s trade to GDP ratio was 48.1 per cent during 2009–2011 according to the World Trade Organisation (this ratio stood at 14.5 per cent during the 1980s).5
- India is the fourth largest consumer of energy in the world and its dependence on imports of crude oil, natural gas and even coal is steadily expanding. The country’s current dependence on coal imports, for instance, stands at a little over
14 per cent and this is expected to rise to 22.4 per cent by 2017. Import dependence for crude oil is of an enormously higher magnitude altogether; it stood at 76.6 per cent in 2011–2012 and is expected to rise to 77.8 per cent by 2017.6

- About 90 per cent of India’s trade by volume and 70 per cent by value transit by sea.7

Any disruption in foreign trade and particularly energy imports would have a tremendous adverse impact on the Indian economy. In this context, protecting the sea lanes of communication is an important Indian interest, and this has been further highlighted by piracy off the coast of Somalia in recent years.

India’s economic interests abroad span the region between Suez and Shanghai. India–ASEAN trade currently stands at more than US $70 billion and the two-way flow of investment at $43 billion.5 Similarly, India’s trade with the countries of the Far East—China and South Korea in particular—has also increased. China is India’s largest trading partner. Growing economic links are being accompanied by the increasing presence of Indian citizens in some of these countries: an estimated 150,000 in Malaysia, 350,000 in Singapore, and more than 213,000 in Australia.9 Issues relating to the safety of Indian citizens are consequently assuming greater salience in India’s foreign policy.

Even more important is India’s interest in maintaining freedom of navigation especially in the South China Sea, an issue that has come to the fore in recent years because of China staking claim to over 80 per cent of these waters. India has declared that the South China Sea is the property of the world and has expressed its abiding interest in maintaining freedom of navigation in these international waters. But this view is not going unchallenged by China, as is evident from two incidents in 2012: one, China’s objection to Indian investment in Vietnamese offshore oil blocks; and two, the PLA Navy’s provision of unsolicited escort in the South China Sea to an Indian naval contingent that was actually on a goodwill mission to several countries in the region including China.10

In the other direction, India’s economic and energy linkages with the countries of West Asia and the Persian Gulf in particular have grown tremendously. More than 65 per cent of India’s oil imports come from the countries of West Asia.11 The six countries of the Gulf Cooperation Council together are India’s largest trading partners, with bilateral trade standing at more than $145 billion in 2012.12 In addition, there are an estimated 6.5 million Indian citizens resident in the Gulf region and almost 55 per cent of total foreign remittances into India come from this region.13 Because this region has been affected by periodic crises, with the transformation effected by the Arab Spring being only the latest development in this regard, the safety of its citizens has become a matter of concern for India. When Iraq invaded Kuwait, India had to evacuate 176,000 citizens from the region. More recently, 1,766 Indian citizens were evacuated from Lebanon when Israel launched an attack against the Hezbollah in 2006, and an estimated 18,000 from civil war-torn Libya in 2011.14 The latest evacuations of Indian citizens occurred from Egypt (850) and Yemen (750) during domestic upheavals in these countries.15 Given these multiple interests in West Asia, a peaceful and stable regional environment marked by orderly domestic political transitions has become important for India. A clear indication of this was seen in India’s response to the domestic transformations unleashed by the Arab Spring in several countries of West Asia and North Africa.16
While India’s economic linkages with its South Asian neighbours are not that dense, the fact is that India stands at the very core of the region in terms of geography, economics, politics and culture. India is the only country that shares a border with all the others and the Indian economy accounts for 80 per cent of the region’s GDP. Because of India’s centrality to the region and because of the many ethnic, religious and cultural linkages between India and its neighbours, India tends to get drawn into political crises in many of these countries. Examples include the Tamil issue in Sri Lanka, Nepal’s ongoing political transition from monarchy to republic, and the political crisis in Maldives in February 2013. In each of these cases, India has attempted to bring about an orderly political transition and an honourable political settlement. But such involvement tends to generate anti-India nationalism and attempts to balance India by courting powerful non-South Asian countries, the most prominent among these being China in recent years. This in turn introduces a security angle into India’s calculus and an emphasis upon limiting the presence and influence of rivals and adversaries.

The situation is much more complex in the north-western part of South Asia. Here, India is a key developmental partner of Afghanistan and has committed nearly $2 billion in economic assistance to that country over the last 11 years. India is keen to ensure that Afghanistan does not descend into chaos after 2014 or become Pakistan’s backyard and thus a haven for fundamentalist and terrorist groups as happened during the 1990s. India’s aim is to facilitate Afghan economic progress and strengthen the democratically elected government so that Afghanistan can eventually emerge as a bridge between South and Central Asia.

With respect to Central Asia, the continuing instability in Afghanistan, the lack of direct geographical access, and India’s failure to emerge as a major manufacturing power have all considerably limited India’s economic linkages with the Central Asia Republics. This has been compounded by the tremendous political influence that Russia continues to wield among the Central Asian countries and the remarkable economic and political inroads that China has made in the region. China’s trade with Central Asia stands at $29 billion in contrast to India’s paltry $500 million or so. Although several projects such as the TAPI pipeline, the International North South Transport Corridor and the recent proposal to build a pipeline between India and Kazakhstan have been initiated or are being considered, the prospects of enhancing India’s economic and energy linkages with Central Asia and the Indian vision of connecting the economies of Central Asia and South Asia are unlikely to fructify unless Afghanistan is stabilised.

Key to Afghanistan’s stability and linking the Central and South Asian economies is Pakistan, which continues to be driven by the imperatives of installing a client regime in Kabul, preventing India from acquiring undue influence in Afghanistan and thus exerting pressure on two fronts, and acquiring a more prominent role for itself in Central Asia. While there have been some positive developments on the economic front between India and Pakistan over the past several months, and a constituency has indeed emerged for enhanced economic cooperation with India, including among major political parties, the army continues to wield a veto over Pakistan’s India policy. It is not clear whether the army’s categorisation of domestic terrorism as the number one threat, a position that India occupied until recently, will translate into actual support for expanded economic cooperation with India.
Prestige

Prestige or international recognition, in terms of being a valued partner and member of various Asian groupings and forums, is the third driver of India’s Asia policy. Indeed, since independence, India has seen itself as a key player in Asia. Jawaharlal Nehru captured this Indian aspiration eloquently thus:

When we talk of Asia, remember that India, not because of any ambition of hers, but because of the force of circumstances, because of geography, because of history and because of so many other things, inevitably has to play a very important part in Asia... Look at the map. If you have to consider any question affecting the Middle East, India inevitably comes into the picture. If you have to consider any question concerning South-East Asia, you cannot do so without India. So also with the Far East. While the Middle East may not be directly connected with South-East Asia, both are connected with India. Even if you think in terms of regional organizations in Asia, you have to keep in touch with the other regions. And whatever regions you may have in mind, the importance of India cannot be ignored.19

There was a brief glimmer of such aspiration becoming reality during the heyday of Afro-Asian solidarity and the nonaligned movement during the 1950s. But during the remainder of the Cold War years, a combination of factors—the shackles imposed by superpower competition, the defeat suffered at the hands of China in 1962, the reluctance to exercise the nuclear weapons option, and the inward looking economic policy of import substitution industrialisation—curtailed India’s ability to craft an important role for itself in Asian affairs.

Over the last 20 years, however, India has re-oriented its economic, security and foreign policies, which has enabled it to achieve accelerated rates of growth and forge dense economic linkages with the rest of Asia, assert its nuclear weapons status and gain international recognition for that status, and better position itself in the various regions of Asia. All this has considerably enhanced India’s international stature and as a result its aspiration to play a greater role in Asian and international affairs is being widely welcomed. One indication of this is the unprecedented number of strategic partnerships that India has forged with a wide variety of countries, including Australia, Japan, South Korea, Vietnam, Indonesia, Afghanistan, Tajikistan, Uzbekistan, Kazakhstan, Iran, Saudi Arabia, Oman, Russia, Britain, France, and the United States. An important aspect of these strategic partnerships is defence cooperation and strategic consultations. Another indication of India’s rising profile is the welcome it has received in various Asian regional institutions including the ASEAN-led mechanisms and the Shanghai Cooperation Organisation. At the larger international level, India has emerged as a key member in the Russia–India–China Forum, BRICS (Brazil–Russia–India–China–South Africa), IBSA (India–Brazil–South Africa), G-20, etc.

India’s multiple strategic partnerships and its membership in a variety of regional and international groupings also reinforce an integral element of the prestige factor in India’s foreign policy, namely, the pursuit of an ‘independent’ course in international affairs. The best summation of the importance of this aspect was offered by Nehru thus: A country’s independence consists ‘fundamentally and basically of foreign relations. . . All else is local autonomy’.20 However, that there is nothing sacrosanct about ploughing a lonely furrow in international affairs at the cost of national security and national interests is evident from Nehru’s ambivalence about Soviet suppression of the
Hungarian revolt in 1956, the 20-year Treaty of Friendship that India forged with the Soviet Union in 1971 to deter China from intervening in an India–Pakistan war, and the more recent yielding to US pressure on the Iranian nuclear issue in the wake of the India–US nuclear deal. Nevertheless, it cannot be gainsaid that the larger trajectory of India’s policy since 1947 has been marked by the pursuit of an independent course of action in international affairs. A good recent example in this regard is India’s role during its two-year tenure in the United Nations Security Council. India (along with Brazil and South Africa) led a brief, albeit unsuccessful, peace initiative on Syria in mid 2011, criticised the NATO air campaign in Libya, and launched a futile drive (with Brazil, Germany and Japan) to reform the Council and push its own case for permanent membership.21

Conclusion

The three-dimensional framework of fear, interest and honour throws into stark relief the complexities and even apparent contradictions inherent in India’s approach towards its Asian neighbourhood. For instance, even as India seeks to deter Pakistan along the subconventional–conventional–nuclear conflict spectrum, it persists with the attempt to expand economic linkages with Pakistan and thereby transform the conflict-riven relationship into a cooperative partnership. In contrast, even as India–China economic linkages continue to flourish, India is driven by the imperatives of dissuading China from initiating a border war, limiting Chinese influence in India’s South Asian and Indian Ocean neighbourhoods and constructing a balance of power equilibrium to preserve Asia’s multipolarity. A multipolar Asia is, however, not an end in itself, but an integral part of India’s larger goal of engendering a multipolar order at the global level and gaining a prominent place for itself in that order. Hence the quest for permanent membership in the UN Security Council as well as participation in a variety of multilateral groupings. Further, even as India deepens its security cooperation with key countries in the Asia Pacific to ensure an Asian equilibrium, its interests in post 2014 Afghanistan necessitate cooperation with Russia, the Central Asian Republics and most importantly Iran. But the India–Iran relationship is looked at askance by the United States as well as by the monarchies of the Persian Gulf with which India is forging economic, energy and defence linkages. While managing these contradictions and complexities is the task of diplomacy, a prerequisite for performing that task adequately is an appreciation of the relative importance of the motives of fear, interest and honour driving India’s Asia policy.

Notes


11. Extrapolated from data provided by the then Indian Minister of Petroleum and Natural Gas to the Rajya Sabha on 23 August 2011, at http://164.100.24.219/annex/223/As296.htm (Accessed July 20, 2012).


14. For a concise overview of these evacuations, see chapter 3 of *Net Security Provider: India’s Out-of-Area Contingency Operations*, Military Affairs Centre, Institute for Defence Studies and Analyses: New Delhi, October 2012, pp. 27–33.


16. Ibid.


