CHAPTER III

INDIA AND THE MAJOR POWERS.
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India’s Relations With U.S.A, Russia And China

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

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

Indo-US Relations

To put the relations between India and the United States in perspective, it is no longer necessary to go over the four-decade-long
estrangement between the world’s most populous and most powerful democracies. This divergence, often sharp but never so sharp as to drive the relationship to the breaking point, is a thing of the past. Its principal cause the Cold War is over. The Soviet Union, a pillar of support to this country, politically and strategically, has vanished into history. Consequently, the Indo-US relationship - good, bad or indifferent has become the most important in the entire web of our relations with the outside world. To say this is not to suggest that the disappearance of the bipolar dispensation has yielded place to a unipolar world, as was mistakenly believed by many America’s immediately after the Gulf War. It may not be a multipolar world just yet but is surely a polycentric one. Even so America remains unquestionably the mightiest military power and has the world’s largest economy in a day and age when globalisation has become the almost universal economic creed.

Relations between the world’s two largest democracies have been both intriguing as well as complex. In the context of India-United States relations, much remains to be understood about the different sources of conflict in their relations and how they have interacted over different periods of time and in divergent policy-making contexts.¹ The nature and context of relations between New Delhi and Washington have been an

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

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

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

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

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

In the new multipolar international order, India sees itself as a major actor. India like China is so vast that it constitutes a region by itself. The regional and global of the countries in the South Asian region and that of the outside actors would be significant in this context. The average American has tended to consider the region as inflicted with poverty, squalor, over-population, ethnic and religious conflict and natural disasters. The truth is that South Asia is vital to America both in terms of long and short term opportunities.
From an Indian perspective, the main reason why Indo-US relations took the trajectory was because of Pakistan's military alliance with the US in 1954 and 1959, massively boosted in the 1980s, compounded the security threat to India from attacks in Jammu and Kashmir as well as Pakistan-assisted terrorism and insurgencies elsewhere in the 1990s.\(^3\) The fact that the US is apparently unable (or unwilling) to enforce its own laws on nuclear non-proliferation and/or transfer of missile technology when the offender is Pakistan (or China) further excites Indians to fury and a sense of injury. Indeed, so heavy is the burden of Pakistan on India's collective psyche and foreign policy making, that it sometimes seems as if all other relationships, especially with the US, are hostage to it. Thus, considerable ground was covered between New Delhi and Washington between 1990 and 1995 while the ban on all American assistance to Pakistan mandated by the Pressler Amendment was in force, with a marked drop in warmth after the Hank Brown Amendment of 1995 permitted some transfer of arms for payments earlier made by Pakistan.\(^4\)

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


trijunction of South Asia, Central Asia and the Gulf. The Brown Amendment sought to ease the Pressler sanctions to provide embargoed arms worth $370 million to Pakistan and instead of handing over the F-16 aircraft to Pakistan, it envisages a third party sale of the aircraft with the proceeds going to Islamabad.

Pakistan, Kashmir and nuclear non-proliferation have been the three big thorns in the side of Indo-US relations for the past ten years. It has been on the high priority list of successive US Administrations and particularly, the Clinton dispensation. US Congressman Lee Hamilton, for example, once described the Kashmir issue as the “single most contentious issue disrupting India-US relation”\(^5\). A lot of heat was generated in India when in October 1993 the US Assistant Secretary of State for South Asia, Robin Raphel, stated that the entire state of Jammu and Kashmir is disputed. In the words of Ms. Raphel: “We do not recognised the Instrument of Accession as meaning that Kashmir is an integral part of India... the people of Kashmir have got to be consulted in any kind at final settlement of the Kashmir dispute.”\(^6\) Besides the differences over the human rights situation in Kashmir continue to be an irritant between the two countries.


\(^6\) *Time of India*, October 30, 1993.
India perceived these statements of Ms Raphel as interference in its internal affairs. New Delhi basically considers Kashmir to be a bilateral issue between India and Pakistan that should be resolved within the framework of the Simla Agreement. It will be in the interest of both India and Pakistan and external powers like the US to follow a policy of least provocation.

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

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

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

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

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

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

Russia, India and Central Asian Republics

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

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

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

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

Yeltsin's visit to Delhi marked the first watershed in assessing the downward trend in Indo-Russian relations: the rupee-rouble imbroglio was resolved, with India promising to pay Rs.36,000 crore over a period of 12 years or Rs.3,000 crore every year, the money could be repaid through goods bought by Russian entrepreneurs, through investment in Russian projects in India, or simply, through directly selling the Indian rupee on Russian stock exchanges. During this visit both Yeltsin and Prime Minister P.V. Narasimha Rao sought to come out with a precise framework within which relations between Russia and India would develop. The framework
was provided in the Treaty of Friendship and Cooperation concluded on January 28, 1993.¹⁰

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

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

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

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

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

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

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

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

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

\textsuperscript{13} World Focus, April 1995.
maintenance of peace and stability in the region so that outside powers are not tempted to fish in the troubled waters. Neither India nor Russia would like the region to pass under the influence of Islamic forces, China or the West.

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

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

India is handicapped in its dealing with Central Asia by the absence of geographical contiguity. For the present, India’s economic and business interaction with Central Asia - despite great interest on both sides is not
much. Present air transport of Indian goods to Central Asian capitals as also the circuitous sea route via Black Sea ports is very expensive and does not make Indian goods competitive in Central Asian markets. The memorandum of understanding signed between India, Iran and Turkmenistan on April 18, 1995, provides for surface transportation of goods between India, India and Central Asia across Iran. The agreement, no doubt, is of historical importance. Once this route becomes operational in the near future, trade and economic transactions may greatly expand.

**Indo-China Relations**

Ever since the 1962 Sino-Indian war, which was a watershed in the history of India-China bilateral relations, the relationship between these two countries remained frozen until they restored their ties in 1976 as ambassadorial level. It took almost three years following the restoration of ties to pay a visit to China by the Indian Foreign Minister (A.B. Vajpayee visit to China) in 1979 and further two years by the Chinese Foreign Minister (Huang Hua’s visit to India in 1981) to visit India. The year 1988 witnessed possibly another hallmark when the late Indian Prime Minister Rajiv Gandhi paid a visit to China. The visit evidently led to thawing of the cold relationship between these two Asian giants, thereby ushering in a new phase of bilateral relations between them.
It seems that the traditional stance held by a section of Indian elites that Sino-Indian relations could not improve unless the territorial problems between the two were resolved, has eroded following the return visits by the Chinese and the Indian Premiers Li Peng and Narasimha Rao in December 1991 and September 1993.\textsuperscript{14} In the aftermath of late Rajiv Gandhi’s visit to China in 1988, New Delhi adopted a policy which segregated the territorial problems from the overall bilateral relations between India and China. It was also made clear that broader issues could be discussed simultaneously without directly linking them with the overall bilateral relations of the two.

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


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

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

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

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

\(^{17}\) *The Hindustan Times*, 21 January, 1999.
With the changes in global politics following the demise of the Soviet Union and the end of the Cold Wars, there also came marked changes in the mutual perceptions of both China and India and India leading to the speedy normalization of relations.

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