India as a Major Power: Regional Perspectives and Future Prospects

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Abstract

This paper assesses India’s role as an emerging regional power. It evaluates India’s role through its own interests and its relations with China, the United States and other South Asian and South-East Asian states. This paper suggests that India is powerful enough – politically, economically and militarily - and responsible enough, to be welcomed as a benign regional hegemon. In its own ‘peaceful rise’, India can assist in maintaining regional stability and security through balancing national aspirations with astute strategic co-operation.

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1 Editor’s note. This paper was written in 2006 and has not been updated. Its references to office holders were correct at the time of writing.
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Introduction

Although he wrote of Hindustan, the words of the great Indian poet Allama Mohammad Iqbal highlight the enduring nature of the Indian civilisation and its ability to survive and thrive despite the odds pitted against it. India is on the rise once again and with a population of over a billion people and as the world’s largest democracy, it has long possessed a vision of itself as a major power with aspirations extending beyond its region.

With the rise of China, India’s growth has also been cited as helping maintain an Asian regional balance. Recent engagement by the US would indicate that it too sees India playing an important role in this respect and as a ‘world power’. As its economic position improves it is almost inevitable that India will move to ‘normalise’ its status as an economic, military and political power by asserting a greater role for itself in the region. Its pivotal location in one of the world’s key ‘hot spots’ and a perception of India as a balance to China’s rise will also ensure that it will play a central part in regional security.

In assuming its role as a major power, India therefore has to manage its relations at many levels, but arguably two are most important. First, while there are many states that will influence India’s rise, China and the US are the key actors (external to the subcontinent) with the others, such as the ASEAN countries, largely responding to the actions of these states. Second, though no less important, India must manage its relations with its South Asian neighbours in its perhaps contestable role as the perceived regional hegemon. In both these respects India’s challenge is to create a security environment that minimises both the threat of conflict on the sub-continent.

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and enables it to achieve its strategic objectives of securing peaceful prosperity for its people. The potential for conflict is substantial and it will be a sign of India’s growing maturity, capability and regional acceptance as a major power if it can continue its rise without this eventuating.

This paper is in three parts. Part one will address the dynamics associated with India’s rise towards major power status and its interaction with the other major actors influencing the region, these being China and the United States. Part two will focus on India’s relations with its near neighbours and will determine how these will shape the regional security environment. Part three will provide a combined assessment on the future security implications of India’s emergence as a major power.

**Part One: India as a Major Power?**

**Realising India’s Potential**

On the formation of the Indian state in 1947 the first Prime Minister of modern India, Jawaharlal Nehru said ‘A moment comes, which comes but rarely in history, when we step out from the old to the new, when an age comes to an end and when the soul of a nation, long suppressed, finds utterance’. With the benefit of hindsight, one might say that he spoke prematurely, but in light of what we see now, it can be argued that India is a nation whose time has come.

It is apparent that ‘India is arriving on the world stage as the first large, economically powerful, culturally vibrant, multi-ethnic, multi-religious democracy outside of the geographic West’. Therefore, it is not surprising that India has realistic regional and global aspirations that are commensurate with the size and makeup of its population, its economic potential and its military strength. Rather than being a great leap forward, it is more a re-establishment of an earlier position now made possible by its re-emergence as an economic power.

**India’s Self Perceptions.**

India’s perception of its future is very much borne from the collective experience of both its ancient and recent history. With a recorded history that spans millennia, India has long been the focal point of its region and whilst its borders contracted with partition it has nonetheless remained the dominant state of the subcontinent.

In the period since its independence India fought and lost a war with China in 1962, won a war against Pakistan in 1965, stepped in to support East Pakistan in its struggle for independence from West Pakistan in 1971, and has had to deal with insurgency and terrorism in Jammu and Kashmir. The latter continue to this day, largely through

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a Pakistani-sponsored insurgent operation. There has also been low intensity conflict along the Line of Control, on the Siachen Glacier and occasionally large scale outbreaks like that which occurred at Kargil in 1999 and again in 2002, when India and Pakistan, both nuclear states, came close to outright war, with almost 1 million troops amassed along the border in Kashmir. All these events have played a significant part in shaping the psyche of the Indian nation.  

Throughout this period, India’s economic development has also been constrained by socialist economic policies and heavy state control with the combined result of its first four decades being that India was slow to realise the benefits of economic development. However, once the need for reform became politically acceptable, the Indian economy changed course. Some have argued that India’s rise was due to a move to a pro-market strategy in the early 1990s that was prompted by the balance of payments crisis of 1990-1991. Other suggest its rise is the consequence of initiatives of the early 1980s that led to the steady prioritising of growth and the use of Indian capital in this pursuit. Either way, the outcome remains the same with India now likely to develop as one of the world’s key economies in the coming decade.

As in China, India’s economic rise has restored its confidence, provided it with the assets to modernise its military forces and equipped it with economic prospects that have quickly become a focus of world attention. It is this vision of future potential that has given India a level of influence it believes it deserves both within the region and in wider world affairs. This is not to say India has aspirations as a global superpower, rather that it believes that in its place as the world’s largest democracy, as one of the largest economies and as a substantial (and nuclear) military power it has a view and values which should be considered in the discourse of international affairs. In this respect it has been suggested that ‘India seeks greater standing in global affairs and institutions as they are now organised, but it also would like to see a different global organisation emerge, one in which power is distributed more evenly, among a larger number of important powers, including itself’. As such, it could be argued that India is committed to becoming a key player in a reshaped and multipolar world.


China and India

China and India have a linked history that spans millennia. They are becomingly increasingly engaged with each other but tensions still exist. They share a substantial but disputed common border which resulted in conflict in 1962 and had been the source of some tension in the past. Their future interaction will play an important part in the region’s long term security.

This section will address critical elements of this relationship. It will highlight that the economic rise of both countries does not necessarily need to lead to conflict. Although there is an element of competition, it can be argued that their economies are complementary and that their increasing integration is likely to promote regional security. Finally, while there are many potential sources of conflict it will show that China and India are working closely to gradually eliminate these sources of tension.

The Economies - Impacts of Competition and Integration

Coming almost ten years ahead of India, China’s early initiation of economic reform has given it a significant economic advantage allowing it to ride the crest of the wave and gain from the benefits this has delivered in terms of alleviating poverty and investing in the infrastructure necessary to sustain future growth. In turn, India has been playing a game of catch-up. That said, it remains the second largest growing economy in the world and there is no indication that its growth is going to stop anytime soon.

In their 2003 report on the rising economies, Goldman Sachs forecast the future importance of both countries in terms of their impact on the world economy. The report also highlighted that India was unlikely to reach China’s future status as the world’s largest economy. However, their comparative size, geographic proximity and successive rise in economic and political power will ensure that competition will be a key feature of their future relationship.

For example, China’s growth has come as a result of its manufacturing strength. In its service provision industry India on the other hand is reaping the rewards of its early investment in the intellectual capital associated with the Information Technology (IT) industry and the benefits that come with a large, well educated and significant English-speaking population. This gives it a significant advantage over China at a time when industry elsewhere looks to outsourcing services as a means of gaining cost advantage. This also coincides at a time where India is rapidly gaining ground in its manufacturing industry and continues to proceed with its market reforms. As such India will increasingly be a source of competition to China, but this a natural feature

of a globalised economy and should not necessarily be feared.

As the two economies have emerged from different bases they have largely competed in different market sectors but that will change as both countries venture into other areas of expertise and look to learn from each other. It has been noted that ‘Indian companies look with envy at China’s manufacturing prowess, while Chinese IT companies want to learn from India’s success in the services sector’. As a result there is likely to be greater engagement between India and China over the coming decade in order to merge interests to achieve mutually beneficial outcomes.

The benefit that is already becoming evident is the rise in bilateral trade and investment. With this growing at just under 50% a year for the last five years, China will soon overtake the US as India’s largest trading partner. Whilst relatively modest at present, recent targets set by Beijing and Delhi provide a clear expression of the desire to make this a key element of engagement that contributes to the sustained development of both countries. This can be seen in the comments of Yu Ping, of the China Council for the Promotion of International Trade who highlighted the future potential for trade when he noted to Indian industry leaders that ‘now we [China] are setting a new target of 100 billion dollars that should be achieved by 2015.’ With this degree of economic engagement there is likely to be a greater preference for dialogue over confrontation and this can but help in providing a more stable security environment.

Securing Growth: The Quest for Energy and Stability

In what is a growing relationship there will continue to be issues of concern to both India and China. China is also acutely aware of India’s aspirations as a major power and much of this concern is generated over India’s Indian Ocean presence. Given China’s long term security and prosperity is reliant on its freedom to trade and access to energy, both of which require secure Sea Lines of Communication, this would seem to be a concern to China. As a senior People’s Liberation Army officer and director of the Chinese Academy of Military Science, General Zhao Nanqi, is quoted as saying ‘we are not prepared to let the Indian Ocean become India’s Ocean’. Similarly, India also requires a stable environment and an adequate supply of energy to secure its future and in light of this both China and India are working hard to resolve sources of tension.

The growth of the two economies has ensured that India’s and China’s already voracious appetites for energy will continue to grow to the extent where the McDonald’s fast-food term ‘super-size me’ is appropriate. With both countries having increasing

energy needs and declining internal resources as a proportion of requirements, India and China are competing internationally for rights of access to oil and gas supplies.

In this respect, China is in a stronger position as it currently has more to offer. It is economically stronger, its governmental system is unconstrained by democratic practices and it brings the additional leverage that comes from being on the UN Security Council. The combined effect was demonstrated in 2005 when ‘Chinese oil firms went out of their way (excessively overpaying for assets) to thwart India’s attempts to secure international energy assets in Kazakhstan, Ecuador, Angola, Nigeria and Myanmar’. On the other hand India currently lacks China’s economic and diplomatic clout and as such it has struggled to compete with China in securing its energy needs.

It is beyond the scope of this paper to enter the wider energy security discussion but while the competition for energy supply will continue to grow there is also an emerging awareness that energy co-operation has benefits for both countries. Specifically, energy co-operation provides the potential to generate greater negotiating muscle and opens up opportunities that would not be available to each country on its own. To this end, India and China have signed five memoranda on energy co-operation aimed at strengthening information exchange when bidding for oil resources in order to realise mutually beneficial outcomes This has been an important step towards choosing co-operation over confrontation.

Removing Sources of Stress

Having noted some of the causes of competition in the relationship it is also important to note that both New Delhi and Beijing are working hard to minimise the potential sources of stress. The scene for more productive co-operation was set in May 2003 when Chinese President Hu Jintao met with the then Indian Prime Minister Atal Bihari Vajpayee. At the time Hu noted that he attached great importance to China-India relations and would work to enhance bilateral relations. Since then action has been taken on both sides and, in India’s case, the pursuit for better relations has been taken up by its current Prime Minister, Dr Manmohan Singh.

In April 2005, Chinese Prime Minister Wen Jiabao visited to New Delhi during which the two leaders ‘agreed to launch a “strategic partnership” that will include broadened defence links and efforts to expand economic relations’. Even in the most contested area of relations between the two countries, that of the complicated

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and difficult border dispute(s), ‘both sides have come to see the connection between finding a solution to the Sino-Indian frontier problem and the development of bilateral relations in other areas’. To this end ‘China formally recognised Indian sovereignty over the former Kingdom of Sikkim, and India has both reiterated its view that Tibet is part of China’ and emphasised the unacceptability of anti-China political activities by Tibetans living in India.

It therefore seems clear that both Chinese and Indian leaders will not be constrained by the thinking of the past and will not allow old issues to dictate future actions. This is not to say that rivalry between the two will cease to exist. Rather, each side is acknowledging the capability, potential and interests of the other and both are attempting to accommodate their respective needs and, where possible, seek mutually beneficial outcomes.

The prospect of competition between India and China is unavoidable but this does not need to be viewed as a ‘zero-sum game’; indeed, there is much to suggest that with care and attention their mutual rise will be positive. In sustaining their economic rise both countries face significant challenges; some common such as poverty, education and the demand for energy; others different such as China’s eventual need for political reform and India’s lack of infrastructure to support growth. In these and a range of other areas it has been demonstrated that there is a growing awareness that cooperation can deliver mutually beneficial outcomes. As India’s Ambassador to Beijing, Nalin Surie, recently noted ‘India and China together can be a great force for good, for development, for peace and common prosperity.’

Similarly, both countries are well aware of the sources of stress between them and are currently expending significant effort on issues such as energy co-operation and the introduction of confidence-building measures, and resolving their border disputes, to ensure events that threaten regional stability, and thus the basis of their sustained growth, will not arise.

**India and the United States of America**

It was the end of the cold war, the opening of the Indian economy, but ultimately the detonation of nuclear devices in 1998, that provided the impetus for a change in US interest in the sub-continent. Since then, US moves to engage positively with India have gathered momentum and there is little doubt that it also views India as having

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26 Lin Limin, ‘China – India Relations Enter the Fast Lane of Development.’ p. 31.
28 Lin Limin, ‘China – India Relations Enter the Fast Lane of Development.’ p. 31.
the most potential to balance China’s rise. President Bush has termed India ‘a natural partner’ of the US and has highlighted his administration’s intent to assist India in achieving what it believes is its rightful status as a major power.33

This section will look at the growing relationship between India and the US. First, it will highlight that the level of engagement has been both comprehensive and rapid. Second, it will be argued that there are significant and broad based efforts being made to support India’s rise. Finally, it will highlight that the concessions being made to achieve this, including the recent nuclear co-operation agreement, represent a paradigm shift in policy.

Changing the Mindset

It would be wrong to suggest that India had dropped off the radar of US interest. Despite the publicity and action associated with the recent enhanced engagement these advances are realistically linked to a protracted period of activity. This started as far back as the Reagan presidency34 when President Reagan invited Prime Minister Gandhi to the US in 1982 with the aim to ‘reach a renewed recognition of the mutual importance of strong, constructive ties between India and the United States’.35 US engagement took a further leap forward during the Clinton administration, particularly as a result of the Kargil crisis, culminating in President Clinton’s unprecedented five day visit. In contrast, and perhaps as a sign of US displeasure at its actions that precipitated the Kargil crisis, Pakistan received only five hours of Presidential time.36

From the outset of his administration, President Bush was committed to developing deeper relations with India. India’s response to the Al Qaeda attacks on US cities, in the form of approving overflights and landing for US military aircraft supporting operations in Afghanistan, cemented India’s status as a firm friend. In return perhaps, the US was very active in pressuring Pakistan during the 2002 border crisis and was grateful for the restraint shown by India at that time.

There have been two key elements in the new US approach to its relations with India.37 First, as declared by US Secretary of State Condoleezza Rice, has been the emphasis on demonstrating that US engagement with India is ‘not a hyphenated relationship’.38 Others attribute Rice with the notion that ‘the United States will be guided by the intrinsic importance of India and Pakistan to U.S. interests and not by fears that support

33 K. Alan Kronstadt, ‘India – US Relations.’ Summary
for one would upset the other’. It would therefore appear that US interests are based on the similar, ideological outlook of India and the US, the pragmatic realisation of the economic benefits that come with India’s rise, and the strategic realities that India’s projected growth is anticipated to bring.

Second was the acknowledgement that, despite it being outside the Nuclear Non-Proliferation Treaty (NPT), India had been a responsible member of the nuclear family, adopting as India has put it ‘NPT+’ control measures. As such, it recognised that assisting the development of India’s civilian nuclear capacity would contribute to an increase in safeguards and (arguably) assist in stabilising the region. This view is supported by comments made by US Under Secretary Burns in October last year when he noted that the US purpose in concluding the civilian nuclear co-operation agreement was to demonstrate the highest level of political commitment to promoting stability through confidence-building between the two states.

Supporting India’s Rise

At the start of his second administration, President Bush and Condoleeza Rice, developed the outline for a decisively broader strategic relationship that would ‘help India become a major world power in the 21st century’. Prior to that there had been much internal debate about the shape of future engagement in India. With ‘more than 2 million people of Indian origin in the US, and more Indian students (80,000) than from any other nation’ there has been a growing realisation of the contribution to the US made by the ever-growing number of Indo-Americans. Similarly, the implications of India’s economic rise and of its strategic importance given its size, location, democratic values, ethnic and religious makeup, and of course its status as a nuclear power, could no longer be ignored.

In response, Washington was informed by key commentators on the course it should take and an engagement strategy was subsequently developed. This proposal was outlined in detail to the Indian Prime Minister during his visit to Washington in July 2005 and as a result of a series of reciprocal visits that followed, US-Indian engagement has been established on a wide front and has achieved real substance.

During the meeting, Bush and Singh signalled a milestone event in the Indo–US Civilian Nuclear Cooperation Agreement. In what was a significant break from earlier policy the US decided to offer India nuclear technology and guarantee future nuclear

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fuel supplies in exchange for bringing a large number of its nuclear reactors into an International Atomic Energy Agency (IAEA) inspection regime despite India not being a signatory to the NPT. Pragmatically, this recognised India’s standing as a responsible nuclear player and provided tangible rewards as a result. It also sent a very real signal to less responsible actors, such as Iran and Pakistan, about the benefits that could accrue with improved levels of international behaviour.

The next milestone occurred in March 2006 when President Bush visited India and the two leaders signed the agreement formally. Whilst the deal had drawn much criticism and is still required to be approved by the US Congress, the accepted view is that this is likely to occur and with this Indian - US relations will have reached a new level of engagement. Ultimately, a very clear determination has been made by the US administration that ‘it is going to be in the US national security interest to support the rise of Indian power in multiple dimensions’ and they will make every effort to ensure this occurs as quickly as possible.46

In a recent address to the Carnegie Endowment for International Peace in Washington, the Indian Ambassador to the US, Ronen Sen, noted ‘today, there is a realization that it is not what the US can do for India, nor what India can do for the United States, but what both countries can do bilaterally for their mutual benefit and for making the world a safer and more secure place’.47 This describes the nature of the current relationship rather aptly.

The US realises that there is an enormous economic and commercial opportunity available in India, while at the same time it is also aware it can help India realise its potential further. With US help, India can be enabled to take its rightful place as a major power. Some might argue the US has taken a risk but if it has then it is a calculated one. As Condoleeza Rice wrote in the Washington Post in December 2005:

> in times of unprecedented change, the traditional diplomacy of crisis management is insufficient. Instead, we must transcend the doctrines and debates of the past and transform volatile status quos that no longer serve our interests. What is needed is a realistic statecraft for a transformed world.48

In transforming its relationship with India the US has grasped this nettle but it does so with the trust that there are great strengths in the issues that unite them and that the relationship is strong enough to absorb the occasional shock of disagreement.

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India’s Curry or Simply Meat in the US-China Sandwich!

There is concern in the US about China’s rise and as a result elements in the US view India as an agent of balance in the region. The US has also been actively reasserting its presence throughout the Asia-Pacific region through bilateral discussions and increasing military, diplomatic and economic engagement. As a result these actions have brought claims of containment from the Chinese, and in return China has been similarly active in promoting its own case in the region.

In discussing India’s future it is necessary to address the interplay occurring between India, China and the US. This section will argue that India is unlikely to be a US vassal in containing China, rather that it will attempt to adopt a finely balanced but independent, perhaps strategically ambiguous, approach to both as it plays its part in the region. It will then argue that while this support will buy some leverage, India will continue to adopt an independent approach that allows it to achieve its strategic goals and balance its growing relations with both countries.

It would be wrong to assume that new levels of engagement are synonymous with a new level of compliance. In response to the Indo-US Nuclear Cooperation Agreement there has been much argument as to what this may mean in terms of US leverage over India. Some would argue that Indian independence has been compromised but this would be an underestimation as to what would be allowed in the robust dynamics of Indian politics.

In this respect, India’s increasing engagement with the US has raised Chinese concerns that it might form part of a US ‘containment’ plan and undoubtedly the US sees a role for India in ‘keep[ing] the peace in the vast Indian Ocean Area and its periphery’. However, it should not be read that the significant improvement in Indian – US relations automatically signals an alliance in which India will always side with the US. Independence of action is an irreducible characteristic of Indian diplomacy as evidenced by recent remarks by India’s Ambassador to the US, Ronen Sen, who said ‘India is too old and proud a civilisation, too big and diverse a country, too vibrant a democracy, to follow and accept the leadership role of any country in the world. We will take our decisions on the basis of our perceived national interests.’

Undoubtedly India’s rise will give it a greater say in world events and as such it will have to, from time to time, take sides as it decides its position. It gives the India far too little credit to suggest it will be so easily swayed by recent US support and it has been argued that the India - US relationship will not be a one-sided affair and that friction between the two will be an occasional feature in its future.

It should also be noted that in response to US attention that the Chinese have been

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50 Donald L. Berlin, ‘Neglected No Longer: Strategic Rivalry in the Indian Ocean.’ p. 27.
launching their own charm offensive, or ‘preemptive entente diplomacy’ with India, and this is perhaps reflected in 2006 being nominated as the Year of Friendship between China and India. What is clear though is that in many ways the Chinese have matched the depth and breadth of US engagement and in return India has been working hard with China to explain its position, to develop transparency, to establish confidence-building measures and, as already noted, to remove existing sources of tension such as its border disputes.

While there may be genuine concerns about the role China will play in the future, the reality is that both India and the US are actively engaging China in order to ensure they minimise the potential for future clashes. Indeed as far as India is concerned, there has rarely been a time in its recent history where it has been so actively and positively engaged with both the US and China simultaneously.

In engaging India it would seem that the US is acting with a degree of self interest. This should be expected but in assessing the reasoning behind this move it would be wrong to assume that US expects a compliant India in return. In respect to India’s relations with the US, it could be argued that the US achieves all its interests by supporting an India that is fully independent in its actions, despite the occasional irritant this may bring to bilateral relations. The reality is that this would seem to be an accepted position as the current US administration has made the assessment that a ‘strong and independent India represents a strategic asset, even when it remains only a partner and not a formal ally.’

The challenge for both India and China is to avoid attempts to contain each other and to maintain independent foreign policies that engage specific countries on the basis of their national interests. In summing up the issue of containment, the situation that will prevail has been best put by the current Indian Prime Minister, Dr Manmohan Singh, who noted that ‘the world is big enough for both countries and each is too big to be contained by the other’.

Part Two: India’s Relations with Other Countries in South Asia

India and its Neighbours

The partitioning of British India established a number of imposed boundaries but did little to change India’s central position of influence on the sub-continent. Its size and all elements of its national strength ensure that it cannot be ignored in any discussion concerning the region. Its rise therefore only works to compound its influence and

57 Pallavi Aiyar, ‘A Quick Step Forward in Sino-Indian ties.’
it is therefore only realistic that discussion of its role as a regional hegemon should occur. Some in India would argue that this has never been its goal but other countries of the region are suspicious of what will come with India’s rise. This section will look at India’s relationships in South Asia and the shape they are likely to take in coming years.

As the central source of tension on the subcontinent, the India – Pakistan relationship will be discussed in detail. With two major wars and an undeclared conflict (Kargil in 1999) and periodic skirmishes between its military, the border region of Kashmir remains ‘at the heart of conflict, mistrust and hostility’ between the two states. For India to realise its potential fully, the removal of this threat is essential, but the deep-seated antipathy that is evident between the two states of India and Pakistan is a significant impediment to resolving the conflict.

It is beyond the scope of this paper to discuss in detail all the issues involved in this complex relationship, therefore this section will address three areas which may give some indication as to whether a mutually acceptable and stabilising solution on the sub-continent can be achieved. First, it will argue that while recent initiatives appear to have stalled, the mere fact dialogue over Kashmir remains open is a positive indicator that more progress can be made. It will then look at the impact of recent catastrophic events, such as the 2005 earthquake, with a view to determine their impact on India - Pakistan relations and assess whether any benefit can be derived from them. Finally, it will explore the impact of the current efforts by the leaders of both countries to shape future outcomes in the region.

The second part of this section will look at India’s relations with its other near neighbours. It will then argue that while India has been treated with caution by these states, it is working hard to engage with them. This has been met with varying degrees of success but it will be argued that it is in the interest of all to leverage both India’s goodwill and its economic success.

A Question of Direction – Where do Recent Moves Take Kashmir?

On the 27th of October 1947 Pakistani forces invaded Kashmir. Following the intervention of Lord Mountbatten, by then the Governor General of India, Prime Minister Nehru was persuaded to take the issue to the United Nations Security Council. Ultimately, this ended with a ceasefire line being drawn with India holding the larger portion of the valley and with the United Nations giving direction to conduct an impartial plebiscite of the Kashmiri people. Over time, India’s position on the plebiscite altered and Nehru ‘declared he would not give an inch in the matter of Kashmir’. Further

proposals were made but all were unacceptable to Nehru and ultimately the single major outcome was the creation of the festering ‘Kashmir problem’.

It is questionable as to whether the proposed plebiscite would have resolved the issue but it is arguable that it was Nehru’s obstinacy in maintaining a hardline stance that saw a potential solution being denied to the people of Kashmir. Almost sixty years later little progress has been made. That said, the mere fact that there now seems to be a preference for dialogue over confrontation, is positive.

Nonetheless, the language India uses to describe its relations with Pakistan has always been robust. This said following the attack on India’s Parliament in December 2001 that almost brought the subcontinent to the brink of war, Indian Prime Minister Atal Behari Vajpayee held out the ‘hand of friendship’ to Pakistan whilst giving an address in Indian–administered Kashmir in 2003 when he said ‘dialogue was the only way to bring peace in Kashmir’. In the time since, there has been inconsistent progress. Some argue that ‘the external environment has never been as conducive as it is today to the resolution of the Indo-Pakistani conflict over Kashmir’. More pessimistically, others note ‘the chances of the peace process succeeding are slim’.

That said, President Musharraf has been bold in proposing ways of resolving the issue and ‘has suggested Pakistan could withdraw its demand that a plebiscite be held in the disputed region, something that has been the cornerstone of its Kashmir policy for more than half a century’. In addition, President Musharraf proposed several other options for a settlement.

From the Indian side there is movement, even if the signals are confusing. Some commentators have indicated that India would accept the current status quo, delineated by the current Line of Control (LOC), as the preferred position and that even this represents a move away from the original position stated by Nehru. Others have indicated that Prime Minister Manmohan Singh is not prepared to give up territory, but would consider innovative solutions in terms of improving living conditions and developing common institutions that would connect Kashmiris across the LOC. Singh

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63 Arun Prakash, ‘Emerging India –Security and Foreign Policy Perspectives.’ Address by the Indian Chief of Naval Staff to The Institute of Defence Studies and Analysis at their 40th Anniversary Commemorative Seminar, 2005, p. 3; available at: <http://indiannavy.nic.in/cns_addl.htm> accessed 3 May 2006.
64 Chris Snedden, ‘Would a Plebiscite Have Resolved the Kashmir Dispute?’ South Asia: Journal of South Asian Studies, Vol. 28, No. 1, April 2005, pp. 64-86.
70 Sanjoy Majumder, ‘Analysis: Little Hope for Kashmir Plan.’ These included the demilitarisation of Jammu and Kashmir and its subsequent establishment as an autonomous region, placing Jammu and Kashmir under the joint control of the two countries, or dividing some parts between the two countries with the Kashmir Valley becoming either autonomous, or be put under UN supervision.
has made clear that the Indian leadership is ‘ready to risk political capital on finding a
diplomatic solution to Kashmir’.72

What would seem most important is that there is consideration being given on both
sides to resolving the issue. This is not to say a solution is in sight but the two countries
are negotiating seriously, albeit too slowly for Pakistan’s liking,73 and they are also
working on the development of confidence-building measures that will also assist in
easing tensions.74

There continues to be substantial irritants to progress. The failure by Musharraf to rein
in the actions of insurgents operating (often claimed with Inter-Services Intelligence
[ISI] support)75 from Pakistani territory, and the counter claim that India supports the
insurgency in Baluchistan, also make it difficult for the two sides to make headway at
the negotiation table.76 Yet despite these difficulties some maturity has prevailed and
modest headway has been made.

President Musharraf has noted that ‘it is unfortunate that there is so much suspicion in
the relationship between India and Pakistan. We have to resolve the Kashmir dispute,
otherwise we cannot normalise relations.’77 However, there is one more element
that could change the dynamic. India’s rise is allowing it to deal with both the US
and China in ways which have not been seen before. Its relative importance to both
countries is increasing, perhaps at some cost to Pakistan’s own relations with them. In
this respect ‘the conflict has become less and less relevant to India’s relations with the
great powers, which has meant a corresponding willingness on New Delhi’s part to
work toward a solution.’78 As such a resolution is no longer subject to the previously
evident competition between the US and China. This may not make a substantial
difference, but it does simplify the problem.

Earthquake – Catalyst for Change or a Lost Opportunity?
The earthquake in Kashmir in October 2005 provided a window of opportunity for
greater co-operation between India and Pakistan. President Musharraf recognised that
there was a genuine willingness on both sides of the LOC to help each other and that
this provided ‘an ideal opportunity to go for a settlement of the Kashmir dispute.’79
Despite the clarity of this statement it would seem that positions entrenched over time
could not be breached.

To its credit, India was quick to offer support, including some US$25 million in

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74 Claude Rakistis, ‘Pakistan’s Musharraf; Playing a Balancing Act.’ ASPI Strategic Insights, Australian Strategic Policy Institute,
November 2005, p. 5.
75 Owen Bennett Jones and Farzana Shaikh, ‘Pakistan’s Foreign Policy under Musharraf: Between a Rock and a Hard Place.’ p. 2.
77 Adrian Murdoch, ‘Interview with President of Pakistan – Pervez Musharraf.’ Global Agenda Magazine, 2006, available at:
79 Adrian Murdoch, ‘Interview with President of Pakistan – Pervez Musharraf.’
humanitarian aid, but this was treated with caution by the Pakistanis who only partially accepted the proposal and even rejected much needed helicopter support. That said, the recalcitrance was not one sided. On its part, India was slow to respond to Musharraf’s proposal to allow Kashmiris to cross the LOC. In time however, India did open five crossing points which allowed humanitarian assistance to be delivered and families to be reunited.

With respect of the failure to capitalise the goodwill, fingers have been pointed on both sides. What is clear is that the potential of the catastrophe to generate some good has not been fully realised and ‘because of mutual mistrust, it appears that an opportunity to improve bilateral relations and advance the normalisation process has largely been lost’. This said, it must be recognised that the offers made, and the concessions given, on both sides still demonstrate a significant advancement over what was a near war situation just three years earlier, and as such it shows that there is potential to advance the current state of affairs.

Agents of Change or More of the Same?

Both Prime Minister Dr Manmahon Singh and President Musharraf are now both indelibly inked into the histories of their respective countries and the joint history of their region. The former has led the world’s largest democracy in a period of unprecedented engagement with the US, China and the wider region. In doing so he has established India’s prominence as a rising major power. In relation to Kashmir Singh has also shown strength to hold to his country’s position whilst being open to ongoing discussion.

In contrast Musharraf has also altered the status of his country. Despite huge internal pressures and two assassination attempts he has supported the US in the war on terror and, with the assistance of substantial economic aid from the US, he has been able to achieve the early indicators of a more prosperous economy. His failure to follow through with democratic reform has been a significant (if not understandable) impediment to the country’s further development. Notwithstanding his role in the Kargil crisis, and in the face of significant competing pressures and great personal risks, he has recently done more than most to move forward on the Kashmir problem.

Both Singh and Musharraf have done much to shape the sub-continent. The question now is whether they can be the two leaders who could bring peace closer.

Musharraf has by far the more difficult balancing act. His position is far less stable, but to date he has done a remarkable job, by balancing competing demands whilst modestly moving forward. His proposed concessions on Kashmir are courageous.

82 ‘Pakistan; Political Impact of the Earthquake.’ p. 2.
If India wishes to assume the mantle of a major power and as the regional hegemon, then perhaps it needs to act with greater confidence and with a greater awareness of its emerging strengths and weaknesses.

India would seem to be in the stronger position and if it is serious about becoming a major power it perhaps needs to be prepared to exercise a greater degree of benevolence and be more forthcoming in meeting Pakistan part-way in the concessions proposed. In return, Pakistan needs to shed its traditional antagonism over India and to accept the ground truth; that a non-democratic and struggling Pakistan will always come second to a democratic and rising India. Clearly, neither country can reach its full potential while the Kashmir dispute exists, but at least there remains hope that the situation can be advanced.

The partition of the subcontinent generated a seemingly impenetrable divide between India and Pakistan. Decades of diplomacy, punctuated by the commas and full-stops of insurgency and war have done little to advance the situation, but the dynamic is changing. Vajpayee’s ‘hand of friendship’, Musharraf’s Kashmir proposals, the earthquake of 2005 and the controlled co-operation that followed are all indicators that real progress is possible. The real battle for peace remains to be fought in the minds of the Indian and Pakistani establishments.

Elsewhere in the Region

Whilst India’s relations with Pakistan remain central to securing a more stable and prosperous future for the subcontinent, its relations elsewhere in its close region (including the remaining South Asian and ASEAN states) will provide a greater indication of its capability as a major power.

From its perspective, it is clear that India believes that it is the rightful hegemon of the region. As former US Secretary of State, Henry Kissinger noted:

> With respect to its immediate neighbours and smaller states such as Bhutan, Sikkim, Nepal, Sri Lanka and even Bangladesh, Indian policy has been comparable to America’s application of the Monroe Doctrine in the Western Hemisphere; an attempt to maintain Indian hegemony, if necessary by the use of force.83

This does not mean India has territorial ambitions and its Defence Minister, Pranab Mukherjee, has made this clear84 but it does mean India believes it has a responsibility over the region. This has been previously demonstrated through its intervention into East Pakistan in 1971, through its deployment into Sri Lanka in the late 1980s, and in the assistance it gave to the Maldives to prevent a coup by mercenaries in 1988.

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84 Pallavi Aiyar, ‘A Quick Step Forward in Sino-Indian Ties.’
India’s declared foreign policy ‘to build friendships with everyone’ is well known but this does not mean India will be welcomed with open arms everywhere it goes.85 Further, the situation will be complicated by other countries which have a strong interest in the region, not least of which is China. As such it seems clear that India will have to engage each of the sub-continental and ASEAN states on the basis of their respective interests. In this regard the former Indian Chief of Army, General V.P Malik noted ‘that our neighbours tend to look up to China when India is perceived to be weak. So you need a more stable and committed India for people to remain focused and not to look towards China’.86

This section below provides a brief overview of India’s relations with its other neighbours, and with the ASEAN region.

**Afghanistan**

In January 1951 the then Union Home Minister, Chakravarti Rajagopalachari, said to a visiting Afghan premier, ‘It is no secret that our foreign policy holds Indo-Afghan friendship to be essential; and when we two are bound in friendship we will squeeze anyone in between in the same embrace of affection — a pincer movement for peace, so to speak’.87 This imagery-rich double-entendre best describes the Indian perspective on the nature of, and reasoning for, the relationship between the two countries, and it is as relevant now as it was then.

India continues to invest in Afghanistan as a means of supporting its own long term security interests. Since the initial fall of the Taliban in Afghanistan, India has committed over US$550 million in aid, as well as opening consulates and contributing development personnel. As a result India’s contribution has been valued greatly by Afghanistan and warmly welcomed by the US.88

Afghanistan has the most to gain from improved relations between India and Pakistan. Ongoing discussions about the establishment of an oil pipeline running through Afghanistan to Pakistan and on to India provide an indication of the possibilities. The jewel in crown however would be the opening of a trade corridor between Afghanistan and India.

While Pakistan may not be happy with this engagement, it too stands to benefit from the situation by improving relations with both neighbours.89 If this could be achieved, then it would be a mutually beneficial situation, which would, in light of the economic opportunities it would open, make Afghanistan the biggest winner of all.

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Bangladesh

Despite the role it played in securing the independence of Bangladesh, India’s support has not been manifested in a compliant and supportive state. India’s relations with Bangladesh are prickly at best, with the issue of sharing of water resources and rising Islamist fundamentalism being a constant source of aggravation.90

Concerned about the suspected influence of the Pakistani ISI in supporting fundamentalist Islamic groups, New Delhi is unsatisfied with Dhaka’s lack of effort to bring these groups under control.91 Fearful of the influence they may have on their own Muslim population and their potential to open another front of insurgent operating bases, New Delhi has been putting significant but unsuccessful pressure on Dhaka. As one commentator noted ‘The emergence of Bangladesh as the new hub of pro-bin Laden jihadi terrorism has serious implications not only for India’s North-East, but also for law and order and communal and religious harmony in the rest of India.’92

Whilst it is unlikely to manifest itself in open large-scale hostilities between the two countries, periodic border skirmishes have occurred. As a result, India is constructing a fence along the entire border.93 It should also be noted that China is also playing a balancing game in Bangladesh:

Chinese Premier Wen Jiabao’s recent offer to provide Dhaka with nuclear reactor technology has led to speculation as to whether Beijing would replicate in Bangladesh the sort of military, nuclear and missile collaboration it has with Pakistan.94

Such a level of engagement would be very destabilising for India and, in the longer term, would be a strategic mistake to the detriment of Bangladesh by virtue of the adverse international attention such an action would be likely to receive.

The ongoing issues related to trade, water, illegal immigration and insurgent sanctuaries to and from Bangladesh all have serious implications for India. Resolving these issues will be extremely difficult not least because ‘strong distrust between the two sides is patent, with India viewing the current Bangladeshi government as strongly influenced by Islamic fundamentalists and therefore hostile to Indian interests.’95 There appears to be little that can be done to improve these relations in the near future. India’s rise will provide it more leverage but the fundamentalist threat to India is very real and as such it will have to work hard to get Bangladesh to act to constrain the activities of these groups. Given Bangladesh’s poor economic condition, this is not the time for it

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94 Mohan Malik, ‘China’s Strategy of Containing India.’
to be going down a path that promotes instability. Whilst it has recently seen gradual economic improvement, there also needs to be the solid realisation within that country of the benefits that could come with improved relations with its large neighbour.

**Bhutan**

India’s relations with Bhutan are good and the prospects for the future look even better. With India’s demand for energy rising exponentially and with Bhutan’s significant potential for hydro-electric power generation it would appear that the two countries interests are neatly synchronised. Hydro-electricity already accounts for 45% of the Bhutanese Government’s revenue and this will continue to rise as Indian industry invests in power generation and supporting infrastructure. Such investment is critical for Bhutan in achieving its goal of becoming self-reliant economically.

As the kingdom heads towards democratic elections, India has also been supportive in educating Bhutanese election workers on the processes required. This support has been appreciated by the Bhutanese Government and perhaps demonstrates the type of role India would like to play elsewhere in the region in terms of promoting stability and fostering economic growth on the back of its own economic rise.

**Maldives**

Since India came to the aid of the Maldives following a coup attempt in 1988 and relations between the two countries have largely been cordial. There is some evidence to suggest that Wahhabist elements have been trying to establish a foothold within the local Sunni population. This would be a significant development and is one that India is keen to avoid. As such, India has been willing to turn a blind-eye to the country’s imperfect democracy and has ‘reasons to be gratified over [President] Gayoom’s success in keeping Wahhabist and other extremist influence away from the Maldives.’

With tourism as its key industry, the Maldives can only benefit from the growth in India’s middle class and the disposable income that comes with them. India will remain interested in maintaining stability and will continue to promote democratic reform. That said, if the cost of doing so risks the wider acceptance of radical elements within the Maldives, then it is unlikely that New Delhi would push too hard.

**Burma (Myanmar)**

Despite its many failings as a nation-state, Burma is reaping the rewards that come with the competing attention of the world’s two emerging great powers. China has long had a strategic interest in Burma and in some respects India made it easier for

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98 B. Raman, ‘Greater Indian Visibility in its Neighbourhood.’
99 B. Raman, ‘Greater Indian Visibility in its Neighbourhood.’
China to gain a foothold of influence. As one commentator has argued ‘by adopting a very inflexible position towards the regime in Burma, India inadvertently made it easy for Sino-Burmese relations to strengthen and flourish.’

100 China’s investment in Burma has been significant; in infrastructure, in commercial and military terms, and in a world which is substantially against the military regime, China has been a much appreciated voice of support.

In contrast, Burma has caused India much concern in the past. This is largely because it has allowed insurgents to operate out of its western areas into India’s north-eastern states and because of Burma’s support in providing port facilities to Chinese naval forces giving them access to the Indian Ocean. Over the last two years however, India has been ‘increasing its diplomatic presence in Burma, importing natural gas, and assisting in road building’.

Burma has been able to resist all pressure for reform and this seems likely to continue. ASEAN’s inability to influence the military government of Burma, and the competition that exists between China and India over the country, make it unlikely that either side will take a hard line against it in the near future. Both India and China will continue to make significant economic, diplomatic and military investments in a bid to ensure that neither side gets to a commanding position. They may try to influence gradual change, but in the meantime the Burmese Government will be able to continue to leverage the two against each other for its own gain.

Nepal

With a Hindu monarchy at its centre, Nepal has generally been able to count on India’s support. That said, following the brutal murder of the royal family and the succession of King Gyanendra to the throne, India misplayed its hand by initially giving support to the new king. As a result there was a misreading of the feelings of the Nepalese people and this also provided an opening for the ongoing Maoist insurgency to make further headway in the country, often at great cost to the Nepalese people.

The Maoist threat represents perhaps the greatest challenge faced by Nepal and in Indian – Nepali relations. India’s eastern and north-eastern states are already plagued by internal insurgencies and there is growing evidence of a Nepali Maoist link with the Naxalite groups. The border region between India and Nepal is porous and Maoist elements remain in control in some areas. As such, there is genuine concern that Maoist groups on both sides will attempt to establish ‘a “red corridor” of Maoist-controlled territory stretching from Nepal through Bihar to Andhra Pradesh.’

102 B. Raman, ‘Greater Indian Visibility in its Neighbourhood.’
some of the least developed in all of India; high levels of poverty and unemployment, low literacy, an entrenched caste system, and an increasing gap between rich and poor, making the area ripe for rebellion.  

India has been trying to regain its former pre-eminent position of influence and had offered assistance to Nepal to address the military threat posed by the Maoists. However, there has been a growing awareness of India’s inability to deal with the complexity of Nepal’s situation and that a stronger hand was required. In response to February 2005’s power seizure by King Gyanendra, New Delhi noted that this was ‘a serious setback for the cause of democracy’. Other commentators have suggested a hard line be taken as ‘both morality and realpolitik would dictate that India not treat King Gyanendra’s unconstitutional regime with any kindness.’ Whilst the US believes that India has a considerable role to play in ensuring the restoration of democracy in Kathmandu it remains to be seen how hard a line the Indian’s will take.

It is unclear whether Nepal is over the worst but recent moves indicate that India has learnt from its past mistakes and that it will continue to adjust its approach. In an economic sense, Nepal cannot ignore India’s rise and it remains in its interest to leverage its national assets, such as its potential for hydro electric power, to improve the condition of its own people. The ongoing Maoist insurgency has the most potential to disturb the equilibrium and India is likely to continue to pressure Nepal in this respect.

Sri Lanka

Given its significant Tamil, and therefore Hindu, population, India has long had to tread a cautious path in terms of managing its relations with Sri Lanka. Since its own foray into Sri Lanka, and the assassination of Prime Minister Rajiv Gandhi by a female member of the Liberation Tigers of Tamil Eelam (LTTE) in 1991, India has watched and supported Sri Lanka from a distance.

India has little to gain from greater engagement on this issue and given the apparent breakdown in the ceasefire it will need to watch carefully how the situation develops. It remains friendly to the Sri Lankan Government but is ‘refraining from any deep engagement in third-party peace efforts.’ That said, the Indian Government has:

vigorously and openly gone ahead with the negotiations for a mutual defence agreement with Colombo and expressed its willingness to respond positively to the Sri Lankan Government’s requirements of military equipment to strengthen itself against the LTTE.

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107 J. Mukherji, ‘Economic Growth and India’s Future.’ p. 3.
113 B. Raman, ‘Greater Indian Visibility in its Neighbourhood.’
The situation as it is developing will need to be watched closely. The LTTE is becoming increasingly isolated and wounded, and cornered tigers are dangerous. India remains concerned about the ‘LTTE’s intentions in the port of Trincomalle and over the destabilising potential of its so-called Navy’\textsuperscript{114} and could be expected to consider more overt action should the current boldness of the LTTE navy spill over and create a situation that threatens India’s maritime interests.

ASEAN

Although China is of greater economic importance to ASEAN members than India, India’s engagement with ASEAN states is highly significant. There is also a perception of uncertainty associated with China’s rise among ASEAN members. In this respect the rise of India comes with certain benefits. It also comes with risks, and games of hedging and band-wagoning are clearly evident.\textsuperscript{115}

Both India and China are reflected in the engagement mechanisms of ASEAN. China was the first to be engaged within the ASEAN +3 framework (China, South Korea, Japan). India was invited into the East Asia Summit by the ASEAN states during the inaugural meeting in Kuala Lumpur in December 2005, despite China’s efforts to exclude India.\textsuperscript{116} This leads to two observations. First, that the ASEAN states will work hard to maintain their independent status and to sustain their continuing intent to drive the agenda of instruments they established. Second, that ASEAN sees the presence of India in regional dialogue and engagement as a desirable balance to China’s ever-growing presence.\textsuperscript{117}

Clearly with their growing, integrating, and sometimes competing economies, the futures of India, China and the ASEAN states are substantially interlinked. Combined with the importance of the maritime routes that traverse the region it is also clear that the ASEAN states are potentially at the crossroads of competing interests. India is playing an active game of naval diplomacy, engaging with most of the ASEAN navies.\textsuperscript{118} It has been suggested that ‘the purpose [of this engagement] is to build links with the countries near China, to familiarize the navy with the South China Sea as a potential theatre of operations, and to develop the navy’s ability to operate far from home’.\textsuperscript{119} If so, then it would seem that just as the Chinese will not allow the Indian Ocean to be India’s ocean, India will not allow the South China Sea to become China’s sea.

India’s neighbours are still coming to terms with the implications of it as a rising giant. At present most, perhaps wrongly, are using their experiences of the past to colour and shape their response, and in some cases this will limit the potential they could

\textsuperscript{114} B. Raman, ‘Greater Indian Visibility in its Neighbourhood.’
\textsuperscript{116} Mohan Malik, ‘China’s Strategy of Containing India.’
\textsuperscript{117} Tarique Niazi, ‘Sino-Indian Rivalry for Pan-Asian Leadership.’
\textsuperscript{118} Teresita C. Schaffer and Pramit Mitra, India as a Global Power? p. 9.
\textsuperscript{119} ‘Why the United States Promotes India’s Great Power Ambitions.’ p. 28.
accrue from more comprehensive and positive engagement. In return India too has experienced the problems associated with being a major power. It is learning quickly, but it remains surrounded by troubled states that require support and assistance that others around the world are now looking towards India to provide.

A final critical consideration is the unstable nature of many of the sub-continental states themselves, and the impact this may have on future regional stability. The current Indian Chief of Naval Staff, Admiral Arun Prakash, has noted that India is ‘in real danger of being completely surrounded by “failed states”’.120 As the regional hegemon this would be to India’s detriment, and it is therefore in India’s interest to ensure this possibility is not allowed to develop further. It could be argued that a sympathetic, proactive India with a strong economy is the best means of preventing such an outcome.

India’s relations with ASEAN member states are not hampered by geographic proximity, and as such its diplomacy seems less troubled and more sophisticated than in its relations with the South Asian states. India is also viewed as less threatening by ASEAN members and is considered to be a balancing force in the region. That said, while ASEAN will engage with India its members will adopt a hedging strategy by also engaging with China. This will largely be because they fear China more than they do India.121

Part Three: Assessment

Despite substantial obstacles, such as poverty and a lack of infrastructure, that are yet to be overcome, India’s rise has gathered momentum. Its robust democracy, institutional strengths and its educated middle class are all contributing to ensure that India will take its place as a major player in world affairs in this century.

India will continue to attempt to balance and leverage its relations with China and the US, but its growing status as a major power will dictate that from time to time it will need to take stands that may bring it into disagreement with these other actors. This creates significant diplomatic challenges and will occasionally stress its relationships with both these major powers. However, the deepening levels of economic and political engagement that are now evident will assist in developing robustness in these relationships and may help to absorb the shock of occasional disagreement.

India will not play a deliberate part in the alleged US’ plan to contain China and it can be argued that regional security is best served by the ambiguity that comes with India maintaining its independence of policy and action. It would seem that the US accepts this approach and is prepared to take the risk of an occasional divergence of interests and will support India in achieving its status as a major power. There may also be an

121 Tarique Niazi, ‘Sino-Indian Rivalry for Pan-Asian Leadership.’
expectation in the US that if India is to be a friend, then it should be prepared to help when asked. This is to misread the nature of the relationship and as one commentator noted, ‘Our [US] real national interest is that India succeeds, period on its own terms. Whatever it can do for us or not, if India succeeds as a democracy, as a country that’s not at war with its neighbours, that’s all we should ask and think about’.  

In coming years there will be a considerable increase in Indian-US engagement. The passage of the civilian nuclear co-operation agreement through the US Congress will ensure India gains further access to high-end technologies. As a result of this and other recent initiatives, such as bilateral trade and investment between the two countries, India will continue to grow, and increasingly the US will come to rely on India for assistance on security-related issues in the Indian Ocean region. This enhanced level of engagement has the potential to increase notably the pace of India’s economic development, which in turn will impact on the general economic wellbeing of the region.

China also acknowledges the regional importance of India’s rise and with a view to minimising US influence is working hard to resolve contentious issues and to seek greater integration of their respective economies as well as enhanced levels of cooperative engagement across a spectrum of interests. Sino-Indian relations will mirror those of the US in many ways, particularly with respect to trade. This said, and despite what will be continuing efforts to remove stresses from their relationship, India and China will continue to treat each other with a degree of caution and suspicion. But for now, both countries realise that their respective futures best lie in creating a stable environment through constructive co-operation and this will be the predominant shape of their interaction in the coming decade.

Through a process of gradual change borne of increased co-operation and increasing cross-border trade, the imperatives arising from India’s rise will eventually dawn on the Pakistani leadership. India’s rise is making it stronger economically, militarily and politically, thus helping it to state views which the wider world will be prepared to hear. As a result Pakistan risks irrelevance, unless it is prepared to fix its own democratic problems and set itself free of its own insecurities in respect to its relations with India.

India’s rise will also ensure more comprehensive engagement with ASEAN members in the coming decade. This will be welcomed within the region but could possibly become a source of tension with China, particularly if the Indian Navy’s ventures into the South China Sea become too pronounced. ASEAN states will continue to play a balancing game between China and India but by engaging India within the ASEAN forums they will be able to control Southeast Asia’s agenda better, and be less likely to be overwhelmed by China’s influence.

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Throughout the remainder of the subcontinent some introspection about the changing nature of the geopolitical environment is required. As India comes to deal with continuing problems with Bangladesh, Nepal and Sri Lanka, it will be challenged with providing real leadership. The internal problems of these countries and their potential to spill over and create difficulties in India will ensure they receive significant attention in the years to come. India and China will continue to compete in Burma but neither will push for significant change.

Conclusion

In trying to predict India’s future by analysing its history, one commentator came up with the following perceptive observation:

As India becomes wealthy, it will work towards maximising its political and military power; will avoid alliances that curb its strategic autonomy; will seek regional hegemony in South Asia and the Indian Ocean Region, and will resist extra-regional influence in these regions; and will seek to become an extra-regional power in the Middle East, Central Asia, and Southeast Asia.123

It is difficult to find a better summation of India’s likely future.

Of course there remain many obstacles to overcome. There is little doubt that further reforms of India’s economy are required and its poor infrastructure represents a massive developmental challenge. It has been improving its poverty situation but the growth of its population still compounds this problem. This said, and unlike China, its demographics are positioning it well to sustain future growth so long as it can deliver this new generation with appropriate levels of education. But in considering the problems it faces it is useful to remember those words of Allama Mohammad Iqbal:

Ancient Greece, Egypt and Rome are lost, now only memories
But our civilization remains; it has stood the test of time
Something is in us, that preserves us, that keeps us ever-smiling
Though the fates and chances of the world have ever tried to break us.

Through the ages, India has demonstrated the ability to overcome, to negotiate a million different interests, and to bring stability to its people. It is a thriving democracy that has been described as ‘the greatest experiment in human history’ but this is now providing a stable foundation for its current development.124 To be sure, the

experiment is a work in progress, and its future continues to lie in its government’s ability to achieve the strategic objective of securing peaceful prosperity for its people. If it succeeds India will help to shape a very different world.
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