



# SOUTH ASIA: MARCH DOSSIER

**highlights domestic developments, reaching from a deep crisis in the Aam Aadmi Party to the formation of the coalition government between the regional People's Democratic Party and the national BJP in Jammu & Kashmir.**

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With Joyce Lobo, C. Raja Mohan, Manoj Joshi, S Nihal Singh, Monika Chansoria, Prem Shankar Jha

**Debates about a possibly progressive India, the chances of defence exports, a nuclear-solar energy mix and excerpts from a speech by the Dalai Lama give an insight into intellectual activities in India's capital.**

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Articles on Narendra Modi's Indian Ocean diplomacy, the relations between India and Bangladesh, the border negotiations between India and China and 'Myanmar before the 2015 elections', based on Professor Marie Lall's lecture, highlight important foreign policy dimensions, which are extensively supplemented by reprinted articles from trusted and leading foreign- and security analysts, most of whom have participated in FEPS-activities.

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## **Part I (Dr. Klaus Voll)**

### **Some Developments in India**

Both houses passed important legislations in the Budget session of Parliament. The Insurance Bill, which raised foreign participation from 26% to 49%, was passed with the support of the Congress. Also the Mining-Bill passed both houses, also with the support of some regional parties.

But the Land Acquisition Bill, passed with an overwhelming majority in the Lok Sabha, faces stiff opposition in the Rajya Sabha, led by an aggressive Congress under Sonia Gandhi's leadership, in alliance with a number of opposition parties. (see also articles)

The major arguments against this is, that farmers will be at a disadvantage, that they have, contrary to the 2013 Act - which was supported at that time even by the BJP - no really role with regard to giving their qualified consent. It is argued, that the provisions are favouring the corporate sector.

It has to be seen, how far the opposition can really mobilize the farmers in this regard. Dr. Jairam Ramesh, a former Environment and Rural Development Minister in UPA 1 and 2, argued, that the Congress is a constructive opposition, but that the opposition is united on fundamental issues like land acquisition. On the other side he stated, that Congress is not anti-Corporates.

It looks quite possible, that the NDA-government will call a joint session of both Houses of Parliament in order to pass this legislation.-

Rahul Gandhi, the controversial Vice-President of the Congress, did a disappearing act and neither attended Parliament nor any public commitments. He disappeared for several weeks amidst many speculations about his whereabouts and is returning, so his mother Sonia Gandhi, in early April.

The Congress is no doubt still in a deep crisis, also with regard to the leadership and not the least the dynasty issue. Many ask the question, if the party can really bounce back from the tremendous blow in 2014, given also visible internal differences.-

Some of the economic parameters have undoubtedly improved. Yet, the vegetable inflation continues and affects the common people. Petty corruption has allegedly been reduced under the new government of the Aam Aadmi Party (AAP) to a certain extent in Delhi, but in daily life with its many opportunities – for instance 8 to 10% cuts for drivers at repairs - it still continues unabated, as well in the small-scale sector but also in large national and multinational companies.-

After the recent massive defeat in Delhi, the Rashtriya Swayamsevak Sangh (RSS or National Volunteers Corps) has been cautioning the BJP about its allegedly diminishing popularity in Bihar, with elections at the end of this year, and in Uttar Pradesh.-

Attacks on Christians and churches have been continuing. Touching a letter by Julio Ribeiro, a highly respected former Director General of Police during the crisis years in Punjab and an erstwhile Police Commissioner in Mumbai, who complained about these attacks and spoke of growing alienation and not being wanted.

Prime Minister Modi condemned these attacks and Nitin Gadkari, a former BJP-President and cabinet minister, spoke openly about his admiration for Ribeiro. It has to be seen, if these attacks will continue to be a structural issue or if they can be brought under control. -

This March issue underlines some of the aspects of the systematic foreign policy approach of the Modi government. The Prime Minister is seemingly determining himself the directions of India's foreign and security policies, which will lead him in April to Germany, France and Canada, before he visits China before the end of his first year in office.

### **End of the crisis of the Aam Aadmi Party or an imploding split?**

After its recent overwhelming victory in the Delhi Assembly elections the ruling Aam Aadmi Party (AAP) – a symbol for hope of a different political system and party culture – entered into a deep crisis.

The meeting of the National Council on the 28th of March 2015 confirmed the sacking of Yogendra Yadav, Prashant Bhushan und Professor Anand Kumar from the AAP-National Executive Committee. Before, there have been numerous attempts to bridge the differences between the „ideologues“ (Yadav etc.) and the „pragmatists“ (Kejriwal etc.).

Yadav and Bhushan criticised, that AAP had under Kejriwal's „authoritarian leadership“ jettisoned its original aims of „Swaraj“, that there is a lack of inner-party democracy and that the party had nominated „tainted candidates“ from other parties for the Delhi elections, besides financial irregularities in the party, which prided itself of complete transparency in this regard.

Allegedly Yadav and Bhushan attempted to get Arvind Kejriwal out of his position as national AAP-Convenor, according to the Kejriwal faction. Therefore, it is alleged, they conducted themselves against the party's interests in order to contribute to a defeat of AAP in Delhi. Yadav and Bhushan categorically deny this.

During the turbulent session of the National Council, there have been no discussions or a secret ballot, according to Yadav. The dissidents alleged a „mocking and murder of democracy“ with the use of 'bouncers', force and intimidation, which is categorically denied by the Kejriwal faction.

Currently it seems, that the expulsion of Yadav, Bhushan and Kumar from AAP is only a question of time. On the other hand, they could leave AAP together with other founder-members on their own. The well-known environmental activist Medha Patkar has already done so.

### **Hum Aur Aap ('We and You'): Is a Progressive India Possible?**

Reflections about the character of the Indian state and its democratic power system are relatively rare in the biggest democracy of the world.

Dr. Pratap Bhanu Mehta, President, Center for Policy Research, spoke at the sixth Dr. Saifuddin Kitchlew Annual Lecture on the 17th of March 2015 in the Jamia Millia Islamia University in Delhi. Dr. Kitchlew, who did his doctorate in Germany, was a prominent freedom-fighter from Kashmir.

Mehta referred in the beginning to political and social churning processes in India with economically destabilizing processes and aspirations. „Yet, our conceptual categories are from the 20th century. Identity and class, two unfinished tasks in India, pose limitations for a truly democratic system in India. Diversity is compatible with opposition within and toleration. India, as a federation of communities – with a social contract between different communities - did not fundamentally challenge segmentation. But conflicts can't be solved within this framework. We have to recognize the sanctity of moral individualism and imagine India as a zone of individual freedoms. With regard to freedom of expression the Congress' track record is abysmal. We have to rescue liberalism from

partisan politics.“

With regard to existing state structures, Mehta said: „They are not suited to govern a 21st century economy. There are two big limitations: the transitions from crony capitalism to well-organized capitalism and from the corrupted polity to social-democracy.“

In Mehta's opinion, the Indian state shows the following characteristics:

- 1.“Vertical accountability with the boss in government“.
- 2.“Immense secrecy with the knowledge in favor of the state. But the balance of knowledge production is shifting to civil society.“
- 3.“The state is immensely centralised.“
- 4.“There is a wide public discretion. It requires to be justified.“
- 5.“Politics was much simpler in the past. Nowadays public opinion is much more complicated.“
- 6.“The state didn't have to dwell with wicked problems, whose objectives are not clearly defined.“

In conclusion, Mehta said: „The fundamental architecture of the state is under serious question. We have to create a new state architecture. The language of secularism should be insisting on individualism. No political formation is currently capable to pick up these challenges. Irrespective of the demand for political controls the social bonds and controls are loosening. The inherited political vocabulary is outdated. Although it is difficult to articulate the challenges politically, we have to think with the changing times. There will be more conflicts. Also with regard to objectionist fallacies like 'all Indians are Hindus'. There should be a rebellion: 'Who are You to tell me. What authority do You have to tell me who I am'.“

### **Dalai Lama: 400 million Buddhists in China**

The Dalai Lama spoke at the conference „Strengthening Democracy in Asia: Inclusion, Participation and Rights“, at the 23rd of March 2015 at the India International Centre in New Delhi.

This conference with participants from about 20 countries remembered George Fernandes, one of India's leading socialists and an erstwhile Industry-, Railways- and Defence-Minister. Fernandes, an erstwhile admirer of Willy Brandt, suffers since several years from the Alzheimer sickness.

The two days conference was organized by the Institute of Social Sciences, the Asian Democracy Network and the World Movement for Democracy with the support of the National Endowment for Democracy and the Swedish Government through the Civic Space Initiative.

The Dalai Lama, who described himself as a „friend and admirer of George Fernandes“, underlined the importance of freedom and called the „caste system as the greatest barrier to real democracy. Even Mao-Tse-Tung called Buddhism with its 2 600 years of traditions as truly revolutionary.“

The Dalai Lama said: „A world-wide democracy movement is essential and should include Africans and Arabs. It is a matter of humanity against totalitarianism.“

He referred to contradictions within the Communist Party of China and opined: „An open system and democracy is the only way for China. Change is wanted. Important are the increasing numbers of Chinese students outside China. India should popularise its Buddhist Centers for millions of Chinese Buddhists. There are about 400 million Buddhists in China, which are orienting themselves vis-a-vis

the Tibetan Buddhism with its Nalanda tradition.“

The Dalai Lama referred to the reforms within Tibetan Buddhism with its 400 years old tradition and its elected political leadership. In 2011, he himself had abdicated any political responsibility and stepped down from his position as political leader.

The Dalai Lama called the democracy-movement in Hongkong „as a sign of hope.“

With reference to social customs and the quality of social sciences he said: „Male dominance in our times is outdated. Western psychology is like a 'kindergarden' compared to Tibetan Buddhism with its whole systems of emotions and how to build peaceful and happy societies. But I never say Buddhism is the best religion.“-

Dr. Lobsang Sangay, Sikyong (Leader), Central Tibetan Administration, sketched the process of political democracy amongst Tibetans in exile, initiated in 1960, also with the participation of women in 1962 and a Constitution in 1963: „The Dalai Lama could be impeached by Parliament. He insisted on this clause.“

Lobsang Sangay, who remembered the six millions Tibetans worldwide, called the Dalai Lama „ a true democrat.“ He remembered George Fernandes, „who felt that Tibet was the core issue for India“.

Lobsang Sangay mentioned, „that Tibet – from where 10 major rivers are flowing - is the third pole besides the North and South Poles.“

### **'Nuclear and solar Energy-Mix for India'**

Dr. Anil Kakodkar, a former chairman of the Atomic Energy Commission of India and INAE Satish Dhawan Chair of Engineering Eminence, spoke about „Towards Sustainable Green Energy Future“ at the 19th of March 2015 at a function of the Federation of Indo-German Societies in the IIC in Delhi.

Kakodkar said in the beginning, that China has a four times higher per capita energy consumption than India. „The energy import bill increases much faster than the economy. In 2031/32 we will have 60% imports of primary energy (oil and coal). Coal will last in India between 10 to 100 years, Uranium two years. We have only one choice: Uranium and Thorium. Hydro- power has a potential for 100 000 MW.

Our main focus should be on solar energy from barren and non-cultivated land. Therefore an energy mix is required. We have to focus on a domestic value chain in solar. Solar and thermal plants are important.

We have 21 nuclear reactors with a capacity of 5 780 MW. The reactors under construction will produce 4 300 MW. We have a national interest in Thorium, given our huge thorium resources.

Hydrogene and biomass will facilitate the transition from fossile to non-fossile energy, which is even pursued by the Oil and Natural Gas Corporation of India (ONGC).

In nuclear energy 100% domestic production is required. Imported plants are not competitive.“

There is only a relatively small anti-nuclear movement in India and rare public discussions about the pros and cons of nuclear reactors. The mainstream political establishment favours nuclear plants without any critical questions.

### **Indian Defence-Exports?**

Dr. Rajiv Kumar, founder of the „Pahle India Foundation“ ('India First Foundation'), organized on the 21st of March 2015 the half-day conference „Defence Exports From India: The Way Forward“ in the Teen Murti Auditorium, Nehru Memorial Library and Museum, New Delhi.

Rajiv Kumar described defence minister Manoj Parrikar „as the first technocrat defence Minister. A globally competitive manufacturing base with a genuine private-public partnership is required. More than 60% of our weapons are imported, although we have 9 public sector units. A tango between the Ministry of Defence and the Ministry of External Affairs is required, with the ISRO-ANTRIX model.“

In his short speech, Manoj Parrikar said: „Defence exports are good for the economy and industry. Exports are beneficial for the Indian forces. It will lead to an upgradation of our products.

The import of certain weapons will be banned in the near future

Amitabh Kant, Secretary, Department of Industrial Policy & Promotion, Ministry of Commerce & Industry, opined: „For a growth of 9 to 10%, the manufacturing sector has to grow by 14 to 15% annually and exports by 22 to 24 %. We have created 30 to 35 integrated management teams for the 'Make in India' projects.

We have till now only very few defence exports. You need to drive the private sector. The private sector should be treated at par with the public sector. There is a need for liberalising in key areas. We will have a negative list for defence exports to certain countries. The period for export permissions should be reduced to 15 days.“

Baba Neelkanth Kalyani, Chairman, Kalyani Group of Companies, referred to the high import of components by Public Sector enterprises „Export baskets are required for Indian produces.“

In the short discussion, Parrikar said, „in defence it is most difficult to do business. There is need for an export strategy. In defence – with its haunting procedures– things have rusted in place. We have to use military diplomacy as a tool for military exports. With regard to the UN Arms Trade Treaty of 2004, India and China abstained and did not ratify it. We have to create conditions for SME's in innovation, for instance in aerospace.“

Rajiv Kumar mentioned, that the DRDO (Development Research and Defence Organization) is ready now to cooperate with private industries. He proposed a National Defence Export Agency and claimed a „level playing field between the private sector and the PSU's.“

Ankur Gupta, Senior Manager, Ernst & Young, said, „that there have been in 2013/14 \$ 2.5 billion Indian defence exports. We do not figure internationally, it is almost negligible. I see chances for aircrafts and space-crafts (ISRO – HAL) and private firms, as well as engineering services. Besides, we need export control reforms.“

Sukaran Singh, CEO, Tata Advanced Systems, spoke about joint ventures and also 100% owned units of his firm, which exists since 5 years. „We produce full helicopters. Everything is licensed when it comes to exports. We should have simplified end-user certificates. If these problems are not solved, defence exports become a non-starter. To become globally competitive, co-production with foreign players is required.“

On the other hand, Dr. J. Patil, Executive Vice-President, Larson & Tubro, regretted „that there is no level-playing field with foreigners.“



S. Rangarajan, CEO, Data Patterns, referred to the numerous bureaucratic hurdles. „We are working in silos. There is a trust deficit towards the private sector.“

Under the motto „Buy Indian“, at least 30% of the components should come from India and a maximum of 70% can be imported.

### **Myanmar before the 2015 elections**

Dr. Marie Lall, an excellent Burma-Expert from the University of London, spoke about „Myanmar – Challenges and opportunities in light of the 2015 elections“ at the 17th of March 2015 in the IIC in Delhi.

The elections will take place in about six months from now. Lall: „The 2010 elections were neither free nor fair. Myanmar is a 'disciplined democracy' in a praetorian state with military supremacy.“

In retrospective, Lall opined, „that civil society was a driver of change since 2005 with the financial support of German political foundations, particularly with educational projects. It led to a national reconciliation between the military and the NLD. It was a battle between reformers and hardliners. Ethnic peace and educational reforms have been priorities.

Thein Sein has been surrounding himself with people who disagree with the previous regime. There is a privatisation drive. The coffers of the government are empty. The former cronies are running the economy. Myanmar is facing increasing disparities and inflation. There is no private ownership of land.“

Lall described the power struggle between the President and Speaker (Man Shwe) and referred to Buddhist nationalism in Myanmar, which counts after the recent census approximately 50 millions inhabitants.

Anti-Muslim riots are happening in every decade, with alleged and not proven sexual violence. It is not only a Burman issue. There are hate messages on Facebook and calls for the protection of Buddhism through laws with regard to inter-religious marriages.“

Lall also referred to the 'longest war in Asia' – since 1930 - and the cease-fire agreements with 28 different ethnic groups, amongst them the Karen, „but they never made it to peace agreements.“

Lall mentioned the work of the Myanmar Peace Center with EU-, Japanese and Norwegian support. But there is no nationwide cease-fire agreement and no framework for a political dialogue. The President worked for a federal Union, but there are only four signed agreements.“

She reported about the recent student demonstrations against the educational laws of the government. Paradoxically, the police used batons against the students, which had been provided by the EU. „The NLD, originally a competing faction within the military, kept quiet with regard to the student demonstrations.“

According to Lall, the Commander-in-Chief (CIC) of the army, the President, the Speaker and Aung Sang Suu Kyi want to become the next President of Myanmar. „The ethnic parties might lead to a structural change. But the NLD might split the ethnic vote. A pre-election deal on positions of power could provide a stable environment. A victory of the NLD or USDP – a party primarily of state employees - could lead to instability. Can the ethnic parties be a kind of kingmaker? Also the reactions of ethnic armed groups will be important.

There are already 70 parties, out of which 39 are ethnic parties. After the 1st of April no new parties will be admitted.”

In case the NLD would win, it would be as pro-Chinese like the USDP, according to Lall. “The Kachin and Shan State come into the Chinese orbit. China has interests in the natural wealth and could benefit from instability. The Shan state has a lot of drug trade and the armed groups in the Wa-territory cannot be defeated.”

Marie Lall called India's influence in Myanmar minimal, not the least because of the bad infrastructure between both countries. “China exercises instead great influence in Myanmar. Thailand depends on gas from Myanmar”.

In conclusion, Lall categorically mentioned that the former dictator Than Shwe does not exercise any influence behind the curtains, “also because he suffered a stroke.”

## **Part II (Dr. Joyce Lobo)**

### **Modi casts his net wide to the IOR**

Prime Minister Narendra Modi set on a three nation tour (March 10-14, 2015) in the Indian Ocean region (IOR). This visit seems as an attempt, as Indrani Bagchi claims, to secure “strategic interests by making the Indian Ocean the nation’s geopolitical nerve centre” while adding “defence and security”[i] as key components of the new maritime vision of Modi. While making a point to strengthen ties with the immediate neighbours and major countries, this trip adds the extended neighbours into the ambit of Modi’s and his Bharatiya Janata Party’s foreign policy of ‘neighbours first’.

The Chinese influence in the IOR has expanded due to their ability to invest. India has been a late-comer and Modi sets to continue the cautious policy of the previous government of Congress led United Progressive Alliance (UPA), but in an accelerated pace to engage with the countries of IOR—Mauritius, Maldives, Seychelles and Sri Lanka. Given the turmoil following the arrest of former President Mohammad Nasheed and India’s policy of non-interference were reasons for Modi to cancel Male from the itinerary.

India’s policy towards IOR is termed as ‘Indian Ocean policy’, ‘Indian Ocean strategy’, ‘Indian Ocean diplomacy’, ‘blue policy’ etc though not officially acknowledged. Modi’s visit to the three island nations just speaks the same nonetheless. The moorings were laid by the Congress led UPA in 2011 with Sri Lanka and Maldives. Seychelles and Mauritius joined as observers on 2014. One of the main aims of this visit was to negotiate with Seychelles and Mauritius to join the Trilateral Maritime Cooperation of India-Sri Lanka- Maldives. Modi in this visit has raised the pitch for bring into the fold countries that line the IOR.

The IOR bears two-thirds of the world's oil shipments, one-third of its bulk cargo; and half of its container traffic. It has over 40% of the world's population in over 40 States touching Australia, Southeast Asia, South Asia, West Asia and the eastern seaboard of Africa. India’s 90% trade by volume and 90% of oil imports takes place through the sea. It boasts a coastline of 7500 km, 1200 islands and 2.4 million square kilometers of Exclusive Economic Zones (EEZ). Given the importance of the IOR, Modi has tried to focus on the new and untapped area which is the Ocean Economy.

### **Seychelles & Mauritius: possibilities of joining the maritime trilateral**

Modi became the first premier to visit Seychelles since 1981 and held talks with President James Michel. In his talks, Modi focussed on the security component of the bilateral relations especially in terms of shared responsibility towards maritime security in the region. India's aim is to partner in the development of Seychelles security capabilities. Adding to its capabilities, India agreed to give a second Dornier aircraft and launched the Coastal Surveillance Radar Project. Extending this maritime cooperation, India signed a new agreement on a hydrographic survey. As part of India's ocean strategy, it not only wants to export military hardware, New Delhi wants to draw the island nations into the net of collective informal organisation in securing the IOR.

Apart from the maritime cooperation, both countries signed an agreement on the development of infrastructure in the Assumption Island. India has provided assistance in the development of human resources and capacity building including those of the armed forces in Seychelles. Both sides agreed to form a Joint Working Group to expand cooperation on the blue economy, in which Seychelles has been a pioneer.

Modi was the Chief Guest at the Independence Day celebrations in Mauritius on 12 March, the date of the launch of Dandi Salt March by Mahatma Gandhi. The Mahatma was instrumental in influencing the struggle for political and social rights of the islanders. Modi held bilateral talks with his counterpart Prime Minister Anerood Jugnauth. Traditionally since the first PM Seewoosagur Ramgoolam gave importance and centrality to India, it has been part of its foreign policy. The PM Navinchandra Ramgoolam was the only non-SAARC leader to be invited to witness the swearing in ceremony of the new Government in New Delhi in May 2014. In his speech to the National Assembly of Mauritius, Modi likened the nation as a “leader in the Indian Ocean Community and as a bridge to Africa”.<sup>[ii]</sup>

Already India has signed agreements with Mauritius to combat terrorism and its financing. Modi gave assurances that while both countries work towards avoiding the abuse of double taxation avoidance convention, India will not harm the offshore banking sector. As part of its development assistance project, India offered a concessional line of credit of 500 million U.S. dollars for civil infrastructure projects for Mauritius. It would bring in infrastructural development in the Agalega Island. In terms of its development as a regional hub, India intends to build the petroleum storage and bunkering facility and has offered to support the construction of the second cyber city.

While emphasising on resumption of talks on the Comprehensive Economic Partnership Agreement (CEPA), both leaders have agreed to and in Modi's words, “I consider our security cooperation to be a cornerstone of our strategic partnership.”<sup>[iii]</sup> India has been partner in securing its EEZ. Modi commissioned the Offshore Patrol Vessel Barracuda into the service of the Coast Guard of Mauritius. The latter, like Seychelles, relies on India for defence ships and equipment.

Indian naval warships undertake, on regular basis, surveillance and joint patrolling of the EEZ of both the island nations to check piracy, illegal activities, etc. One of the defence officials in a news report said that “India has a role as a net security provider in the Indian Ocean region,” <sup>[iv]</sup> and already a survey of maritime needs of the island nations has been conducted.

Moreover, both the island nations have similar views on climate change like India. In a bid to learn sustainable practices, India intends to cooperate with Mauritius for improving marine ecology and the new economic opportunities that oceans offer. One of the areas where India wants to make its

presence is the ocean economy wherein Mauritius has expertise. India has signed a Memorandum of Understanding Mauritius in the field of Ocean Economy for scientific and economic purposes.

### **Return visit to Sri Lanka**

Modi became the first head of the government to visit Colombo in 28 years with the visit coming right on the heels of President Maitripala Sirisena's New Delhi visit in February. So far Lankans have described the non-reciprocity of visits by the Indian leaders since 1987 as an attempt by New Delhi to appease Tamil Nadu and one of the reasons for Colombo's bonhomie with the Chinese.[v]

India is currently Sri Lanka's largest trading partner with the total trade amounting to US\$ 4,770 million (2014-2015 (Apr-Nov)) with the former having a huge trade surplus of US\$ 9,951 million. Lanka has trade concerns with India which were not sorted out during Modi's trip. However, he assured that attempts were made to address them. While addressing the Parliament of Sri Lanka he stressed for the need to conclude the CEPA. A step to ameliorate the trade deficit was signing of a custom pact to simplify trade and reduce non-tariff barriers on both the sides. Modi emphasised on connectivity to enhance trade and economy, pitching for cooperation in the South Asian Region and the linked Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) Region.

Modi's main emphasis was on maritime security in the neighbourhood for sake of 'shared responsibility', to be 'sensitive to each other's interest', and 'expand the maritime security cooperation between India, Sri Lanka and Maldives to include others in the Indian Ocean area'[vi]. In this regard an important move has been the announcement of the creation of a joint task force on Ocean Economy which has become the new frontier in the existing relations between both the countries. An earnest will to go forward in this endeavour will enable both the countries to steer away from the mundane fishermen and Tamil issues.

Cooperation in energy saw the signing of the deal to jointly develop the upper tank farm of the China Bay installation in Trincomalee, with India offering to turn this into a regional petroleum hub. Former President Mahinda Rajapaksa had threatened to take back the 99 oil storage tanks from the Sri Lankan Indian Oil Corporation during his tenure.

Keeping in mind that it was former President Mahinda Rajapaksa who was keen on Indian leadership making a high level visit to Colombo, Modi met the former very briefly without any aides. Given the fact that elections to the Parliament are round the corner and Rajapaksa having secured votes almost close to Sirisena, Modi intends to maintain contacts as the former is still formidable in Sinhala Buddhist constituencies. There are possibilities that if he contests, his party may win the elections as the Colombo parliament reverses the Presidential form government.

On the onset of the visits, Modi stated his objective to visit these island nations as part of maintaining frequent contacts with neighbouring countries. The maritime security cooperation that India commenced with Maldives and Sri Lanka and if Modi's National Democratic Alliance government will keep the momentum of forging ties and continuing high level exchanges, surely one can discern the pattern of India expanding its blue diplomacy to the entire IOR. So far he has visited Fiji, Australia, and Japan. He has forged ties with Vietnam through high level exchanges during his first year in office. As of now the present visits point towards this goal and as Modi said, "India has also started maritime security cooperation with Maldives and Sri Lanka and we hope that Mauritius, Seychelles

and other nations in the region will join this initiative.”[vii] As of now the emphasis is to attempt Blue Revolution or the Ocean Economy. However M.K. Narayanan[viii], former National Security Advisor, points out that detaching Colombo from Beijing’s hold through its Maritime Silk Road Project would be a “significant diplomatic and strategic victory” for Modi. However, he cautions that the arrest of Maldivian leader Nasheed shows India’s inability to dictate its neighbours which can be a sufficient reason for the States in the IOR to have confidence in New Delhi.

[i] Indrani Bagchi, “Modi’s blue cruise: He has a unique opportunity to make the Indian Ocean the nation’s geopolitical nerve centre”, Times of India, March 10, 2015.

[ii] Ministry of External Affairs (India), “Address by Prime Minister to the National Assembly of Mauritius”, March 12, 2015. URL: <http://www.mea.gov.in/outoging-visit-detail.htm?24908/Address+by+Prime+Minister+to+the+National+Assembly+of+Mauritius+March+12+2015>

[iii] Ministry of External Affairs (India), “Prime Minister's Media Statement during visit to Mauritius”, March 11, 2015. URL: <http://www.mea.gov.in/outoging-visit-detail.htm?24901/Prime+Ministers+Media+Statement+during+visit+to+Mauritius+March+11+2015>

[iv] Reuters, “Modi hopes to counter China influence with SAARC tour”, The Hindu online, March 5, 2015. URL: <http://www.thehindu.com/news/national/modi-hopes-to-counter-china-influence-with-saarc-tour/article6962219.ece>

[v] Bandula Jayasekara, “A neighbour difficult to please”, The Hindu online, March 12, 2015.

[vi] Ministry of External Affairs (India), “Prime Minister's address to Parliament of Sri Lanka”, March 13, 2015. URL: <http://www.mea.gov.in/outoging-visit-detail.htm?24938/Prime+Ministers+address+to+Parliament+of+Sri+Lanka+March+13+2015>

[vii] Ministry of External Affairs (India), “Prime Minister's Remarks at the Commissioning of Offshore Patrol Vessel (OPV) Barracuda in Mauritius”, March 12, 2015. URL: <http://www.mea.gov.in/outoging-visit-detail.htm?24912/Prime+Ministers+Remarks+at+the+Commissioning+of+Offshore+Patrol+Vessel+OPV+Barracuda+in+Mauritius+March+12+2015>

[viii] M. K. Narayanan, “The building blocks to enduring ties” The Hindu online, February 28, 2015.

### **Deal sealed through CMP by PDP and BJP**

The Jammu and Kashmir People’s Democratic Party (PDP) and the Bharatiya Janata Party (BJP) in the state of Jammu and Kashmir (J&K) crossed two months old hurdles on various issues that have finally found agreement. This has been drafted and finally adopted in the ‘Common Minimum Programme (CMP) of the PDP-BJP Coalition in J&K’[i]. The CMP forms the basis and guide for both parties to rule J&K in coalition. The CMP was hammered by chief negotiators Haseeb Drabu[ii] for PDP and Ram Madhav[iii] for the BJP-Rashtriya Swayamsevak Sangh (RSS). History seems to repeat when a similar CMP was negotiated in 2002 between the Indian National Congress and the PDP. Then the issues that stalled the negotiations were on terrorism with PDP attempting mild approach and on the question of Chief Ministership.

## Democratic flavour

The CMP was finalised after several negotiations that included the reluctant RSS. One of the demands of the PDP leader was that the constitutional status of J&K be maintained and not abrogated as per the 2014 Lok Sabha election manifesto of the BJP. And that too in writing! Article 370 of the Indian Constitution gives J&K special status wherein its consent is required for laws (except on defence and security) to be implemented in the state. This is considered by the BJP as a ruse for J&K to cede from the Union of India.

Though the text says that the people have voted in favour of democracy, the reality is that the mandate is fractured and these two disparate parties have come together to form an alliance. Out of 87 seats the coalition comprises of 53. Hence their legitimacy is in a way questioned, doubted upon and betted towards doom.

Both parties in the CMP profess that “The reality on the ground, even if complex and complicated, needs to be faced politically not numerically. That is the real challenge. The PDP and the BJP have decided to bring together their political and legislative resources to convert this complex challenge into an opportunity.” This is aimed at ‘national reconciliation’ on J&K with a purpose to “catalyse reconciliation and confidence building within and across the Line of Control (LoC) in J&K thereby ensuring peace in the state”. The state is caught between aspirations and grievances on one side and need for economic development on the other. It announces a slew of governance reforms to bring in transparency and accountability, devolving of decision making to the Panchayat level with an aim to usher in development.

As the state is ridden with strife and conflict, the coalition parties intend to bring in ‘political initiatives’ for sake of peace and development. The factor of Pakistan sponsored terrorism, the demands of the separatist groups like the Hurriyat, has caused tensions between Kashmir and New Delhi. One of the steps is to normalize relations with Pakistan. The recent visit by India’s Foreign Secretary S. Jaishankar to Pakistan on March 3rd (as part of the SAARC Yatra) gives impetus to this initiative by the central government under Prime Minister Narendra Modi. The separatists or the Hurriyat in Kashmir are particularly appeased with this gesture.

## The Guarantees

To forge this alliance two months of negotiations have taken place on contentious issues on which both parties are on the opposite poles, especially on Article 370 and the Armed Forces Special Powers Act (AFSPA).

The CMP acts as a written guarantor wherein both pledged to maintain the “present position” on “all the constitutional provisions pertaining to J&K, including the special status in the Constitution of India” by accepting the political and legislative realities.

Though not guaranteed, one of the seriously contentious issues has been the removal of the AFSPA[iv] from areas in the J&K. Since 1990 the AFSPA has been in force. The CMP only suggests that the alliance will review the security situation in the state in order to draw conclusions for special laws to continue or not.

The BJP too has its own demands in the form of the Kashmiri Pandits returning back to the Valley. Though the Muslim riot of 1948 and the 1950 Land Reforms led to their exodus, it was the militancy



(1985-95) that led to their leaving the Valley in large numbers. Since then the various central governments have been unsuccessful in ensuring their return. The CMP also includes demand from the BJP for the settlement, rehabilitation and ensuring social benefits to the families of the refugees from the Pakistan occupied Kashmir of 1947, 1965 and 1971 who are mostly Hindus.

In terms of addressing the much needed development in the state, the CMP looks into crafts and tourism, hydro-power, non-conventional energy, wind energy, bio technology, agriculture, manufacturing, and trade. Home to three major river basins—Indus, Jhelum, and Chenab— and others, the J&K has the power generation capacity of 20,000 MWs wherein only 10 to 12 % has been harnessed so far. If the total capacity is harnessed, J&K will be in a position to transmit power to states like Punjab, Haryana, Uttar Pradesh, Uttarakhand, Delhi, Rajasthan and Chandigarh. In this way it can solve its financial woes.

The text really nails the problems which the people of J&K face and offers necessary solutions. However given the so called unholy alliance between the PDP and the BJP, only actions will prove if the alliance is serious about its objectives.

[i] “Common minimum programme of new J&K government : Full Text”, India TV News Desk online, March 01, 2015. URL: <http://www.indiatvnews.com/news/india/common-minimum-program-of-new-j-k-government-full-text-48105.html>

[ii] Drabu is an economist and former chairman of J&K Bank. He is now the Finance Minister in J&K government.

[iii] Madhav is the BJP general secretary and liases with the RSS, the ideological mentor of the party.

[iv] Since 1990 it has been in force in Anantnag, Baramulla, Budgam, Kupwara, Pulwama, Srinagar districts and also areas bordering the Line of control in Rajouri and Poonch districts. This was extended to areas of Jammu, Kathua, Udhampur, Poonch, Rajouri and Doda districts in 2001.

### **Bangladesh and India Relations tied to Teesta and LBA**

Prime Minister Narendra Modi, having engaged with top leaders of different countries within the first year of his tenure, intends to score positive goals with Bangladesh too. Thus the message sent across to the SAARC (South Asian Association for Regional Cooperation) countries falls in the realm of Bharatiya Janata Party's (BJP) parliamentary election promise of 2014 to maintain good neighbourly relations. However, the trip to Dhaka has been stalling for some time given the fact that Modi's wish to finalise the agreement on sharing of the Teesta River's waters between the India and Bangladesh and the Land Boundary Agreement (LBA). The trip, whose dates are not yet confirmed, is touted to take place once the LBA is ratified in the Parliament.

Foreign Secretary Jaishankar recently visited Bangladesh on March 2, 2015—run up to Modi's impending visit to Dhaka. He discussed the entire gamut of bilateral relations that included the cooperation of both the countries in the SAARC, BIMSTEC (Bay of Bengal Multi-Sectoral Technical and Economic Cooperation), etc. However, no specifics were discussed in his media interactions. Issues like power generation and distribution, infrastructure development like road, housing and port and investment in prospective areas figured in his talks with the Foreign Minister of Bangladesh A.H. Mahmood Ali.[i] The only confirmation was the intended signing of two agreements—The Protocol on Trade and The Agreement on Coastal Shipping during Modi's impending visit.

## LBA in the Parliament

The main issues that have acted as stumbling blocks are the LBA and Teesta. In May 1974, the Indira-Mujib pact was signed to exchange territory (enclaves) and people on either side of the Indo-Bangladesh border. These enclaves, called as Chitmahals or pasha enclaves, are on the border of both the countries. Given its past history these enclaves were used by the rulers (King of Cooch Behar and Maharaja of Rangpur) as stakes in the game of chess. When Bangladesh became independent the pact could be finalised to exchange territory.

Since the signing, Dhaka immediately ratified the pact in the parliament. However, with regard to India, the issue of undemarcated land boundary in three sectors in West Bengal, Tripura and Assam remained unsolved. An additional protocol was signed between New Delhi and Dhaka in September 2011 wherein India would receive 51 out of the 71 Bangladeshi enclaves and Bangladesh would receive 95 to 101 of the 103 Indian enclaves.

### Indian political parties wager stakes

At present, the ratification of the LBA in the Indian parliament is the main hurdle which would require a Constitutional amendment. In terms of India, the enclaves are on the borders of the states of West Bengal, Tripura, Assam and Meghalaya. Amendment is to be done to the First Schedule of the Indian Constitution which defines the area of each state and union territory that together constitute the union of India. Thus, the Constitution (119th Amendment) Bill, 2013 was first introduced by the then Minister of External Affairs Salman Khurshid in the Rajya Sabha (Upper House) in December 2013.

The swapping of the enclaves will lead to handing over approx 17,000 acres of land to Dhaka while India gets approx 7,000 acres<sup>[ii]</sup>. This loss of 10,000 acres of land is one of the reasons why parties like the BJP accused Congress of being anti-nationals. The BJP along with the Asom Gana Parishad (AGP) had raised objections when Khurshid introduced in 2013, citing that it affected the interests of the people of Assam. Arun Jaitley, then Leader of Opposition in Rajya Sabha, was vehement in his protests towards the LBA wherein he said that India's territory is integral to its constitution and hence "cannot be reduced or altered by an amendment."

The other reason why the LBA has been criticized is that its passage will foment secessionist tendencies in other parts of India. However, problems of access and travel, lack of governmental services and requisite facilities, lack of job opportunities and education become hurdles in life for the residents who live in non-man's-land. As per the joint census conducted by both the countries, in July 2011, the total population in these enclaves was 51,549 wherein 37,334 lived in Indian enclaves within Bangladesh while 14,215 resided in Bangladesh enclaves within India. Rukmini Das and Deepak Raju<sup>[iii]</sup> wrote that rather than the residents living like prisoners, the exchange of land will lead to 'efficient administration' and 'welfare' of the residents. To be integrated within a State and savor the fruits of being 'citizens' the ratification of LBA becomes a prerequisite. It has been politicized by parties at the centre and at the state level in India for electoral gains.

The TMC and the AGP have cited loss of territory to Bangladesh as the reason for refusing to move the amendment bill. India does not stand to lose or gain taking into account the loss of territory. The Chairman of the Parliamentary Standing Committee on External Affairs (PSC), Shashi Tharoor, rightly said that "What must be remembered is we are not ceding any land that is under Indian control at present. It is simply the correction of a legal anomaly by a paper-swap." <sup>[iv]</sup>



The BJP opposition came in for the enclaves in Assam. In September 2011, Trinamool Congress (TMC) supremo Mamata Banerjee became the stumbling block for the then PM Manmohan Singh who was keen to seal the deal. The External Affairs Minister Sushma Swaraj visited Dhaka first in June 2014 as courtesy visit wherein mutual concerns were discussed. Here she promised[v] that the Modi government would ensure that both the LBA and the Teesta issue are settled. The BJP has called the then Congress led coalition government under Singh as ‘anti-nationals’ for ceding the territory to Bangladesh. However, now it seems Modi is set to take credit for having resolved the issue, thereby maintaining good neighbourly relations. The Congress does not oppose the moves by the Modi government to ratify the LBA. However, it cried foul when Modi plans follow in the steps of the Congress.

Moreover the recent visit by Mamata Banerjee and her talks with the Prime Minister of Bangladesh Sheikh Hasina on February 21, focused on the two major contentious issues between both the countries. Hasina’s media advisor Iqbal Shobhan Chowdhury said Banerjee’s talks sent positive signals. In resolving the Teesta issue the best interests of both countries will be taken into consideration and Dhaka would “get its fair share”. [vi] However, no time frame could be gauged from the talks or from the news reports. The issue of LBA may finally see the light of the day wherein the exchange of enclaves might finally take place. "Mamata Banerjee said it would be passed in the session of the Indian Parliament beginning on February 23," Chowdhury confirmed. [vii]

#### LBA’s current status

Gen (Retd.) V. K. Singh’s, minister of state in the External Affairs Ministry of India, reply to the Parliament explains the current status of LBA: “The Constitution (119th Amendment) Bill for implementing the India-Bangladesh LBA signed in 1974 and the Protocol signed in 2011 was introduced in Rajya Sabha in December 2013. The Bill was examined by the Standing Committee on External Affairs which tabled its report in the Parliament on December 02, 2014.” [viii] The report by the Committee had been unanimously passed which comprises members of the BJP and TMC who had earlier opposed this move. The BJP, particularly Modi, is keen to reap the benefits of ‘good neighbourly’ relations which his party has vehemently opposed. Modi has sought to pass the bill in the current session of the parliament in the name of security and to check illegal migration. The report suggests the government to present a bill at the earliest giving effect to the LBA. The other PSC members are Sugata Bose from the TMC, Ananthkumar Hegde and Varun Gandhi from the BJP while Shashi Tharoor from the Congress heads the Committee. The report suggested moderate demographic changes while raising security implications due to influx of the population.

In one of his public addresses in Assam, Modi placated the BJP workers, keeping in mind the tabling of the LBA in the Parliament, “I assure you that there will be no compromise on Assam’s security. Land swapping will be done for a permanent solution to the problem of infiltration.” [ix]

Under Prime Minister Hasina terrorist groups wrecking havoc in border states of India especially Assam were checked and refused shelter. The ratification of LBA would result in further deepening ties with Dhaka and reciprocate for their goodwill. Dhaka stands to gain and hence there will be no opposition to India’s ratification. Tharoor wrote, “given that Bangladesh gains the most from the settlement, both officially expanding its territory and enhancing its position relative to India, the deal should face no resistance there.” [x]

## Progress on Teesta

The tensions that have risen over sharing of waters of the Teesta River have not been solved till date. A treaty was signed between New Delhi and Dhaka in 1996 for a 30-year water-sharing arrangement. The signing of the new agreement - the Teesta Treaty - would have led to the equal sharing of waters to which Banerjee who became the newly elected Chief Minister of West Bengal in 2011 objected. Banerjee sought a 75% for India and 25 % for Dhaka as the split in terms of sharing. Teesta flows through the northern parts of West Bengal and then enters into the north-east of Bangladesh.

During his visit to New York in October 2014, Modi did not give any time frame (unlike the LBA) within which the river issue would be solved rather assured his Bangladesh counterpart Sheikh Hasina that he would give a serious look to the matter. However in her recent visit to Dhaka last month, Mamata Banerjee addressing a gathering in Dhaka, asked the Bangladeshis to repose faith in her to deliver a settlement to the Teesta issue wherein she wanted to act as “a bridge” between the two countries.[xi]

Dhaka has registered its displeasure and its concerns to the Indian government as 21 million (70% compared to 30% in Bengal i.e., 8 million) lives in Bangladesh depend on the river. The problem arises in summers where the river dries up that affects the sustenance and the lives of people in general. India, whose population is on the rise, does not want to jeopardize the lives of those dependent on the river in West Bengal. The Teesta waters are also shared with Bihar, as part of linking of rivers project, and therefore the release to Dhaka is limited. The farmers, fishermen and people in general are affected on the Bangladesh side. The people here have taken their protests to the capital.

While Dhaka had initially requested for equal share of waters that is 40% to each country while keeping 20% for flow of Teesta at Gazaldoba in Bengal, India demanded 55%. In 2011 the then PM Manmohan Singh had agreed to a sharing ratio of 42.50% to India and 37.50% to Bangladesh for a 15 year period. The opposition to this 2011 deal has come from the Congress unit in Bengal, apart from the TMC. Bengal Congressman Abu Hashem Khan Chowdhury wrote to PM Singh that the sharing arrangement would affect agriculture in the state.

Since there is no proper news reportage on Teesta as to the time frame in which the deal will be finalized and the ratio of sharing one can guess that Modi might offer a proposal that will favour Bengal. Incidentally West Bengal goes to polls in 2016!

[i] Haroon Habib, “Foreign Secretary discusses Teesta, LBA in Dhaka”, The Hindu online, March 03, 2015. URL: <http://www.thehindu.com/news/national/foreign-secretary-discusses-teesta-lba-in-dhaka/article6952365.ece>

[ii] That is about 111 Indian enclaves in Bangladesh and 51 Bangladeshi enclaves in India.

[iii] Rukmini Das and Deepak Raju, “A settlement long overdue”, The Hindu online, August 13, 2013. URL: <http://www.thehindu.com/opinion/lead/a-settlement-long-overdue/article5016349.ece>

[iv] Suhasini Haidar and Anita Joshua “Bill sought to ratify boundary pact”, The Hindu online, December 2, 2014. URL: <http://www.thehindu.com/news/national/bill-sought-to-ratify-boundary-pact/article6652471.ece>

[v] –ibid

[vi] Monideepa Banerjee, “Bangladesh Will Get Fair Share of Teesta River Water: Mamata Banerjee”, NDTV, February 21, 2015. URL: <http://www.ndtv.com/india-news/bangladesh-will-get-fair-share-of-teesta-river-water-mamata-banerjee-74133>

[vii] -ibid-

[viii] Ministry of External Affairs, “Q.NO.363. VISIT OF PRESIDENT OF BANGLADESH TO INDIA”, February 26, 2015. URL: <http://www.mea.gov.in/rajya-sabha.htm?dtl/24846/QNO363+VISIT+OF+PRESIDENT+OF+BANGLADESH+TO+INDIA>

[ix] Suhasini Haidar and Anita Joshua “Bill sought to ratify boundary pact”, The Hindu online, December 2, 2014. URL: <http://www.thehindu.com/news/national/bill-sought-to-ratify-boundary-pact/article6652471.ece>

[x] Shashi Tharoor, “India, Bangladesh near a momentous border agreement”, The Daily Star online, December 29, 2014. URL: <http://www.dailystar.com.lb/Opinion/Commentary/2014/Dec-29/282449-india-bangladesh-near-a-momentous-border-agreement.ashx>

[xi] Haroon Habib, “Mamata relents on Teesta deal, LBA”, The Hindu online, February 22, 2015. <http://www.thehindu.com/news/international/mamata-assures-hasina-of-resolving-teesta-issue/article6919815.ece>

#### **Doval and Yang meet for Border Talks**

The 18th Meeting of the Special Representatives (SR) on the Boundary Question took place on March 22-24, 2015 in New Delhi. This meeting comes after a year, since last February. The Chinese side was led by Yang Jiechi, State Councilor and the Special Representative of People’s Republic of China on the Boundary Question. Yang is a former Foreign Minister and one of China’s top diplomats. Ajit Doval, National Security Advisor was appointed as the Special Representative of India after PM Narendra Modi became the new head of the government last year.

Chinese troops have caused trouble for India in the Western Sector (Ladakh region). Indian and Chinese troops were also locked in a three-week standoff in Depsang area of Ladakh in April-May 2013. There were instances of border violations by Chinese troops along the LAC, including in July 2013 in Chumar in the western sector which has started in June 2012. However, the Chinese incursions in Ladakh during Chinese President Xi Jinping’s visit to India last September stretched to a fortnight unlike the previous ones that lasted for 10-15 minutes.[i]

Both SRs agreed to undertake necessary steps to maintain peace and tranquillity on the borders as a condition to continue bilateral relations.[ii] Doval and Yang did a comprehensive review of the earlier rounds of talks. So far both sides are satisfied with the progress in terms of negotiations. Both reiterated their commitment to the three-step process to achieve a fair and mutually acceptable solution to the border problem. The SR mechanism, set up in 2003 by the then National Democratic Alliance (NDA) Government, was established to discuss the entire boundary issue through consultations. The discussions were based on the Agreement on the Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question—the second of a 3-step process earlier agreed to by both sides. The Political Parameters and Guiding Principles while being completed (2005), both sides have embarked on the arduous process of settlement. Only the realisation of the second step will culminate in the demarcation and delineation of the boundary as

part of the final phase.

Continuing and expanding interactions between border forces is deemed as one of the confidence building measures to maintain peace on the borders during the SR talkd. Yang also met Modi to discuss issues of mutual interest.

[i] PTI, “Incursion by China during President Xi's visit 'uncommon': Indo-Tibetan Border Police”, The Economic Times, October 22, 2014. URL: [http://articles.economictimes.indiatimes.com/2014-10-22/news/55318994\\_1\\_itbp-president-xi-jinping-chinese-president](http://articles.economictimes.indiatimes.com/2014-10-22/news/55318994_1_itbp-president-xi-jinping-chinese-president)

[ii] Zee News, “Talks over; India, China agree to maintain border peace for good ties”, March 24, 2015. URL: [http://zeenews.india.com/news/india/talks-over-india-china-agree-to-maintain-border-peace-for-good-ties\\_1566654.html](http://zeenews.india.com/news/india/talks-over-india-china-agree-to-maintain-border-peace-for-good-ties_1566654.html)

### **Part III Press Articles on Domestic issues:**

#### **Media should stop hounding J-K chief minister Mufti**

Prem Shankar Jha, New Delhi

Hindustan Times online, March 12, 2015

Mufti Mohammad Sayeed's PDP-BJP coalition government in Jammu and Kashmir was sworn in on February 28. Its formation was a milestone in not only J&K's but also in India's history.

In 1953, Syama Prasad Mookerjee, the founder of the BJP's precursor Jana Sangh, died in prison in Srinagar, after being arrested for entering Kashmir without a permit, a requirement then, under Article 370 of the Constitution, for anyone crossing the state border between J&K and the rest of India.

Since then the belief that he had been murdered has been an article of faith for the BJP, and the bedrock of its determination to abolish it and fully integrate J&K with India.

That is the party that, after 10 weeks of patient negotiation, formed a government with a Kashmiri nationalist party, under the explicit condition that it would shelve its demand to repeal Article 370.

It did so because it was finally prepared to concede that in death, Mookerjee had achieved what he had not been able to in life. The permit requirement was lifted in the very next year.

The BJP also did so because, hampered though he has been by the rhetoric of a handful of bigots in the Sangh parivar, Prime Minister Narendra Modi's government has resumed the search for peace in Kashmir, and realised that meeting the principal demands of the PDP — which are also the demands of most Kashmiris — is the first step on this arduous road.

Yet barely a week after its formation the government is in mortal danger.

The danger has arisen not from second thoughts in the BJP on the value of the coalition, but from the television channels of the Indian mainland.

These have begun an attack on the new government with a savagery that has few parallels in recent television journalism. The attack began within minutes of the swearing-in when Sayeed, whose command of English is less than perfect, said that Pakistan had “allowed” India to hold the elections in Kashmir.

The attack ballooned in the next seven days into a denunciation of what one channel, alluding to baseball, described as 'Mufti's four strikes'. The other three were his demand that Afzal Guru's remains be returned to his family; his release of hardline Hurriyat (G) leader Masarat Alam, and PDP president Mehbooba Mufti's subsequent justification of the act as simply part of a routine release of political prisoners that 'happens all the time', and therefore needs no prior decision in Cabinet.

Those who followed Sayeed's preceding statements in Urdu know that what he had actually said was that Pakistan had the capacity to disrupt the electoral process and had done so repeatedly in the past, but had not done so this time.

This was a simple statement of fact.

Two hundred and fifty-three civilians and political activists were killed in pre-poll violence in Kashmir in 2002, against less than a dozen in 2014.

Returning Guru's remains to his family is not in Sayeed's but India's interest. No act of any government has so shamed the nation as the hanging of Guru without even allowing his family to meet him one last time. Refusing to return his remains to his family for a proper funeral has added further pain.

The anger in Kashmir deepened when on January 28 the Supreme Court granted clemency to the Nithari serial rapist and killer Surinder Koli on the grounds of inordinate delay in carrying out the sentence. Koli had been on death row for three years and three months — Guru for seven years. Kashmiris concluded that in India's eyes serial rapist-killers ranked higher than Kashmiri patriots.

Mufti's act was designed to assuage a small part of this anger, and start the healing process he has set his heart upon. His most controversial act, however, has been the release of Alam from jail.

But here too it is important to understand the dilemma that the Sayeed government faced. Alam is undoubtedly the most committed opponent of Indian rule in Kashmir today. He also has a large and growing following not only among Kashmir's radicalised youth but also in the growing ranks of the Ahl-e Hadis.

But he has been arrested 13 times, charged 27 times, spent 15 of his 25 adult years in prison without having been found guilty on even one count by a court of law.

This does not mean he is innocent. It means that guilt is difficult to prove in insurrectionary situations because witnesses and policemen are loath to testify and judges to pass judgement because of the threat to their families.

When the PDP-BJP government came to power, Alam was in prison under the Public Safety Act but the imprisonment was illegal because Omar Abdullah's home minister had not ratified his arrest by the police within the 12 days stipulated by the Act.

So Sayeed was faced with a nightmare choice on his very first day in office: He could respect the law and release Alam, or he could arrest him on some trumped-up charge as he left the courtroom after the high court had set him free.

The first risked bringing his government down, but the second would have shown him to be another Omar Abdullah, ruling Kashmir with little or no respect for the law, as a stooge of Delhi.

This would have destroyed the trust he needs his people to have in him, to implement his agenda for

bringing peace to the state.

What both the Muftis are guilty of is ineptitude. Alam's court date was known. His release could have been anticipated. Sayeed had the time to warn his deputy CM, if not the entire Cabinet, and explain his compulsions to them and to Delhi before ordering the police not to re-arrest Alam. Neither would have been happy, but neither would they have felt betrayed.

Modi has, therefore, justifiably rapped him on the knuckles. He, and our media, should let things rest there. The battle against Alam is a battle of the mind. It cannot be fought by abusing the law to silence his voice. That will make us no better than the British and make a mockery of our own fight for freedom.

(Prem Shankar Jha is a political commentator and senior journalist.

The views expressed by the author are personal.)

### **The great Game Folio: Kashmir gambit**

C Raja Mohan

The Indian Express online, March 04, 2015

Although the comments of Mufti Mohammad Sayeed, the new chief minister of Jammu and Kashmir, on Pakistan's "positive role" in the conduct of the state's assembly elections late last year have drawn much flak, there is no denying the fact that Rawalpindi has long had leverage in the state through its support to separatism and militancy. All of Prime Minister Narendra Modi's predecessors, from Jawaharlal Nehru to Manmohan Singh, have had to deal with this external dimension to Kashmir. What is more interesting than the CM's infelicitous comments is the agreement between the BJP and PDP on a common approach towards Pakistan.

For one, it underlines the importance of engaging Pakistan. It points to the fact that "the Union government has recently initiated several steps to normalise the relationship with Pakistan. The coalition government will seek to support and strengthen the approach and initiatives taken by the government to create a reconciliatory environment and build stakes for all in the peace and development within the subcontinent".

It is probably entirely accidental that the new understanding between the PDP and BJP on talking to Pakistan came just a couple of days before foreign secretary S. Jaishankar travelled to Islamabad. But Modi's decision to send the foreign secretary to Pakistan to explore the prospects of reviving the peace process has certainly helped bridge some of the political distance between the BJP and PDP.

In juggling the internal and external dimensions of the Kashmir question, Modi is following the path cut by Atal Bihari Vajpayee during the tenure of the first NDA government and followed by Manmohan Singh. Modi, however, is in a much better position than either Vajpayee or Singh. India is a lot stronger than in the late 1990s, when Vajpayee launched the peace process under trying circumstances. Unlike Singh, Modi has the will and the capacity to make bold moves towards Pakistan. Even more important, Pakistan today is probably more vulnerable to terrorism than it was a decade and a half ago. During his talks in Islamabad, Jaishankar was expected to get a sense, first hand, of what the new political possibilities for a sustained dialogue with Pakistan are.

HURRIYAT TALKS



The internal and external in Kashmir come together in the form of the Hurriyat, which has long acted as Pakistan's voice in the Valley. The joint Kashmir agenda, which saw some hard negotiations between the BJP and PDP in recent weeks, notes that "Vajpayee had initiated a dialogue process with all political groups, including the Hurriyat Conference, in the spirit of 'insaaniyat, Kashmiriyat aur Jamhooriyat'". Promising to seek a comprehensive peace process, the two parties say that their coalition government in Srinagar "will facilitate and help initiate a sustained and meaningful dialogue with all internal stakeholders, which will include all political groups irrespective of their ideological views and predilections."

It may be recalled that Modi broke off talks with Pakistan last August, objecting to Islamabad's engagement with the Hurriyat. Modi has made clear that negotiations on the external dimension must be strictly bilateral. There is no room for the Hurriyat there. But by agreeing to talk to the Hurriyat as an "internal stakeholder", the Modi government has created some space for itself. New Delhi is now saying that it is ready for separate talks with Islamabad and the Hurriyat. Parallel they may be, trilateral they are not. Hardline factions of Hurriyat leaders have not sounded enthusiastic about talking to Delhi. But does it really matter what the Hurriyat thinks, if Delhi and Islamabad agree on a formula?

#### LINE OF CONTROL

In a meaty part of the shared vision for J&K, the BJP and PDP called for "enhancing people-to-people contact on both sides of the Line of Control (LoC), encouraging civil society exchanges, taking travel, commerce, trade and business across the LoC to the next level and opening new routes across all three regions to enhancing connectivity". If the first cross-LoC confidence-building measures (CBMs) were initiated under Vajpayee, the UPA government significantly expanded them. But mounting military tensions along the LoC and the growing political mistrust between Delhi and Islamabad have taken away the spirit of these CBMs.

The BJP-PDP programme, however, does not talk about the most important CBM that the Vajpayee government negotiated with Pakistan — the ceasefire along the LoC. With the ceasefire breaking down over the last few years, the two parties have talked about humanitarian assistance to all those affected by the intense shelling across the LoC. If the Modi government can restore the ceasefire as part of the resumption of talks with Pakistan, strengthen the existing CBMs across the LoC and unveil new ones, the external dimension to J&K could change for the better and create a conducive environment for the ambitious internal agenda for development articulated by the BJP and PDP.

#### **Cruel test for Modi government**

S. Nihal Singh

The Tribune online, March 14, 2015

The BBC film strikes at BJP fault line

The crisis point in the Bharatiya Janata Party's second attempt at governing the country had to arrive sooner or later. Perhaps it arrived earlier than expected in the first year of the Narendra Modi government. In banning the BBC film "India's Daughter" on the infamous Delhi rape of Nirbhaya, the governing party was responding to its support base.

The first time the BJP ruled at the Centre was under the leadership of Mr Atal Bihari Vajpayee running a coalition government. Two factors were in its favour: the acceptability of the leader as a man of catholic tastes and the constraints of a coalition. Events came to a head in the banning of the film because Mr Modi is recognised as a strong leader and his party has an absolute majority in the Lok Sabha.

The bulk of the BJP is deeply conservative in its outlook and is part of the Sangh Parivar presided over by the Rashtriya Swayamsevak Sangh and is a votary of a set of beliefs woven round the superiority of the Hindu past and mythology as history as an armour against the inferiority complex of many stemming from the unpleasant fact of being ruled by foreigners over long periods.

Bred in the RSS culture, Mr Modi himself was part of this culture, but his extended secondment to the BJP, particularly his chief ministership of Gujarat for more than a decade, gave him the opportunity to hone his realpolitik skills. Other BJP leaders are in the process of making this transition, but most of the supporters are firm in their worldview, the myths that constitute their reality. Once in a while, the Prime Minister's carefully cultivated image slips as when he harked back to the myth of ancient Indian plastic surgery at a hospital ceremony, for which he drew much opprobrium.

By banning the film, the Modi government was giving expression to the instinct of a traditional conservative family hiding a shameful event by covering it up. But the BJP leaders forgot that this particular rape had resulted in nationwide protests, notably in New Delhi, and led to the Justice Varma committee report, and could not be swept away under the carpet. Besides, in an age of internet and social sites, banning films is a useless exercise.

The logic of Home Minister Rajnath Singh is that by giving voice to the rapist's views, the film shames India around the world. Yet those who have watched the documentary, including myself, have been deeply moved by the sensitivity with which the film has been made in explaining the compulsions of the rapist with his mediaeval mindset of how girls should conduct themselves and the feeling of empowerment a lower middle class man gets in engaging in such a shameful and brutal act.

The Modi government hoped to resolve the contradiction of governing the country on the support of a base fed on myths by giving it freedom in perpetuating their fantasies in education and allied fields disregarding the future of the younger generation. Several known supporters of the Parivar have been awarded top posts in semi-autonomous bodies to spread the new wisdom. But the problem has not gone away because the RSS wants more.

Mr Modi's singular achievement has been to marry the compendium of myths to modern technology, particularly the digital world. He himself has practised new technology to win elections at the regional and national levels by demonstrating how far ahead he is of rivals in understanding the power of new media. After winning the prize at the Centre, he is the first Prime Minister to use social media such as Twitter and Facebook to communicate with the people.

The BBC film indeed presents a major problem for the guardians of the Modi government. The leaders of the Independence generation were deeply influenced by Western thought and philosophy and had discarded some of the less endearing aspects of Indian behaviour and mindset. If Congress Party leaders and supporters still practised their superstitions and beliefs, they did in private away from prying eyes.



As a young reporter, I recall interviewing an astrologer of one of Nehru's senior Cabinet ministers, T.T. Krishnamachari, ensconced in Delhi in a five-star hotel, for a local feature. The minister moved heaven and earth to stop the feature appearing in print. Today Mr Modi's ministers flaunt 'tilak' on their forehead as a badge of honour and most of them are not comfortable in carrying on a conversation in English without breaking into Hindi.

In this milieu, sadhus flaunt their ochre robes and regressive thoughts in Parliament, and to be superstitious is to be on the right side of the powers that be. "India's Daughter" therefore was a cruel test for the BJP leadership because it challenged the basis of its belief system influenced by a traditional patriarchal framework with women assigned their place in society. The much commented upon remarks of the defence lawyers did not sound strange to BJP supporters. They were, for many of them, facts of life.

However, the younger generation of the country presents a greater challenge for the BJP and its leadership. On the one hand, youth welcomed the Modi government moving away from the shibboleths of 20th century past such as socialism and communism to present the real problems facing the country. On the other, the Parivar's regressive social thinking and beliefs are anathema for the young. The number of young demonstrating on the Nirbhaya case around the country was a testament of their feelings.

In electoral terms, the revolt of the young from traditional beliefs of the Sangh Parivar on gender sends out a clear message to the BJP. Much as the party's leaders and supporters are wedded to the role of women as essentially homemakers, buttressed by mythological examples from the hoary past, young women today have professional ambitions and the will to make their own lives.

There is thus a clash of cultures and rapes and honour killings are, in a sense, an expression of this conflict. The Modi Government is, therefore, in a bind.

#### **Part IV Regional and international affairs:**

##### **Nextdoor: Nepal wants to know, India must tell**

Yubaraj Ghimire

The Indian Express online, March 16, 2015

Nepal has missed the deadline to deliver a constitution four times since May 2010. It is nothing new. But the difference this time is the political leadership's inability to promptly announce the next date, without owning accountability for the failure. Unlike in the past, politics today is more polarised and the prescriptions for the future constitution are at variance with each other, even contradictory.

The Unified Communist Party of Nepal-Maoist (UCPN-M), which leads a 30-party alliance seeking ethnicity-based provinces, has finally agreed to a dialogue with the ruling coalition that itself seems in disarray now. The Communist Party of Nepal-Unified Marxist Leninist (CPN-UML) has warned Prime Minister Sushil Koirala of the Nepali Congress that it is perhaps time he owned responsibility for the January 22 deadline being missed and quit. This is likely to pave the way for a new power game,

which will be more for an eighth change of government since 2006 than for creating the right conditions for constitution-writing.

However, there are more ominous trends. After a long silence, former king Gyanendra Shah asked political parties to execute the “understanding reached with me for peace, stability and prosperity”. “He is trying to have the monarchy restored because we have failed to deliver the constitution. But no agreement was reached with him for the continuation of the monarchy,” said Madhav Nepal, former PM and a senior UML leader.

But this has created ripples. Pashupati Shumsher Rana — a relative of Karan Singh, who came to Nepal as an emissary of then Indian PM Manmohan Singh in April 2006 to mediate between the king and the parties — said, “Yes, I guess there was some understanding to continue the monarchy, but Foreign Secretary Shyam Saran succeeded in changing the course two days afterwards.”

Gyanendra had handed over power, ending his 15-month direct rule, in April 2006, a day after Karan Singh met him. Forty-eight hours after the king made the declaration, Saran stated that India would support the democratic forces. His statement, read along with the provisions of the 12-point understanding mediated by India between Nepal’s Maoists and seven political parties, created the impression that India would want Nepal to be a republic. Karan Singh has not said anything on the subject, but Rana may not have spoken now without clearance. All this has come about after Manmohan Singh was succeeded by Narendra Modi. It gains significance since India’s new PM has vowed to take Nepal-India relations to a new level of mutual trust and shared prosperity.

Since 2006, Nepal’s politics seems to have revolved around a few personalities in Kathmandu and New Delhi. In a strange coincidence, Maoist leader and former PM Baburam Bhattarai rushed to India amidst prevailing uncertainties in Nepal and, through a media interview, solicited India’s “intervention”. At another interaction, Saran described Bhattarai as a “great nationalist leader” and said that India was in a “dilemma” over Nepal, which exhibited more pessimism and less hope. Coming from a key architect of India’s Nepal policy since 2005, which brought about radical changes in Nepal, it is seen as a compelling signal for the Modi government to review its Nepal policy and dispel the impression in Kathmandu that India is micromanaging its day-to-day affairs. Officially, India has asked Nepal to finish the constitution-writing process, taking into account “past agreements and the people’s mandate”.

Gyanendra’s latest message asks one pertinent question of the failed political process. The circumstances that followed his handing over of power suggest there was clearly some understanding about the continuation of constitutional monarchy. The House that met three weeks later had resolved that members of the royal family “henceforth will... be brought under the tax net” and that parliament will bring new laws for monarchical succession, making daughters eligible as well. But the euphoric parties took a short-cut to radicalism and abruptly announced the abolition of the monarchy in May 2008.

“Yes, an understanding had been reached with the king, and honouring that will bring order and create a conducive atmosphere for constitution-writing,” said Kamal Thapa, chairman of the Rastriya Prajatantra Party-Nepal. That would involve striking a balance between Nepal’s different forces. As the mediator in November 2005 and April 2006 which convinced the king that democracy and direct rule don’t go together, India still holds the key to the truth about Nepal’s politics.

## **India: Mooring in foreign shores?**

Manoj Joshi

Mid-day online, March 03, 2015

In the second week of this month, Prime Minister Narendra Modi plans to visit Sri Lanka, Maldives, Mauritius and Seychelles. This is another version of his South Asian neighbourhood diplomacy, only the neighbours here are long neglected oceanic ones. Modi will be the first Indian PM to visit Sri Lanka in 28 years, and first to visit Seychelles since Indira Gandhi, the last prime ministerial visit to Mauritius was in 2005 and to Maldives in 2011.

Concern mounted in India in 2007 when Chinese President Hu Jintao rounded off his eight-nation trip to Africa with a stop at Seychelles. Last year, they reached a crescendo with the berthing of Chinese submarines in Colombo, and the visits of President Xi Jinping to Sri Lanka and Maldives, as part of his South Asian tour that brought him to India.

China is using economic, military and diplomatic tools to gain influence over coastal states and small islands in the IOR and is using its investments and aid to consolidate its strategic positions. In addition, there is the reality of China's steadily growing influence in the littoral through military and economic ties with our immediate neighbours, Myanmar, Bangladesh, Sri Lanka and Pakistan.

Just how intense the competition is, became evident last month when Male's main water desalination plant collapsed. Just a day after India sent five aircraft and two ships on an emergency mission to aid Maldives to overcome its water crisis, China pointedly sent a military vessel carrying 960 ton of fresh water and donated \$500,000 for the repairs of the plant. Maldives is a particular area of concern to India since it was the object of back to back visits by Chinese President Xi Jinping in September and Defence Minister Chang Wanquan in November 2014. There have been persistent reports about China's desire to construct a naval facility in the archipelago.

Chinese trade in the IOR has steadily grown in recent years. Beijing has important ties with resource-rich nations of East Africa and the Persian Gulf. It has a major role in the Gwadar port in Pakistan, at the mouth of the strategic Persian Gulf. Last November, China gave a call for the creation of a maritime silk route to enhance connectivity and trade among the Asian nations, and it has now operationalised a \$40 billion fund to assist in the building of ports and infrastructure in relation to it.

India can hardly object to the growth of Chinese trade and commerce in the IOR and its efforts to enhance connectivity. Indeed, it is not difficult to see why regional countries welcome Chinese interest and investment. But this has been accompanied by a significant stepping up of military activity as well. Last year, the PLA Navy carried out a special exercise on breaching the Lombok Strait that leads into the IOR from the Java Sea. It also sent a nuclear propelled submarine on a patrol across the Indian Ocean, ostensibly on an anti-piracy mission. Indeed, China's robust participation in the anti-piracy task force off Somalia have given it a great opportunity to maintain a presence in IOR and familiarise itself with the region. But what has gotten New Delhi's goat were the visits made by two Chinese conventional submarines to Colombo harbour. One of them, was clearly timed to coincide with the visit on September 7, 2014, of Japanese Prime Minister Shinzo Abe, an important Indian ally, to Sri Lanka.

Geography and culture favour India in the IOR. The Indian peninsula juts out into the ocean and gives

us unparalleled location astride important sea lanes. The Indian diaspora is scattered across the region from South Africa to Myanmar and the Persian Gulf. The Andaman & Nicobar Islands sit at the head of the Malacca Straits through which 30 per cent of the world trade passes which includes 50 per cent of oil being shipped. For this reason, China has been exploring the alternate routes via Lombok and Sunda Straits, as well as developing over-land pipelines to connect via Kyaukphyu (Sittwe) in Myanmar and Gwadar in Pakistan. There is an even grandiose talk of cutting a canal across the Isthmus of Kra.

The Indian Navy's Maritime Doctrine describes its "primary areas of interest" to include our territorial waters and the exclusive economic zone out to 200 nautical miles, the Arabian Sea, Bay of Bengal and their "littoral reaches", the choke points at Malacca, Sunda, Lombok, Hormuz, Bab el Mandeb, and the Cape of Good Hope. The southern IOR, Red Sea and its littoral, South China Sea and the West Pacific are areas of secondary interest.

The long-term goal of the IN is to exercise sea control and have the ability of power projects ashore in its region of primary interest. But India's present challenge is to step up its game to maintain its presence in the region in the face of stiff Chinese competition. It has developed relations through naval diplomacy, which includes the transfer of patrol craft and reconnaissance aircraft and helicopters. Now it needs to consolidate these through enhanced trade and investment aimed at integrating the region into India's economic sphere.

New Delhi cannot match Beijing in terms of resources, but what it does have is location, a great deal of goodwill and also friendly allies, especially the IOR's hegemon-the US. Even so, India needs to up the ante by finding money to put into strategic investments and projects across the IOR-whether it is Myanmar, Iran, Sri Lanka or Mauritius. The way to do it is not governmental schemes which are all running late, but to draw strength from India's entrepreneurial class and the private sector.

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### **Northwest turbulence**

C Raja Mohan

The Indian Express online, March 03, 2015

Prime Minister Narendra Modi has had good reasons to frame Foreign Secretary S. Jaishankar's visit to Pakistan as part of a "Saarc yatra". Having suspended talks with Islamabad last August, the government needed a diplomatic device to renew the engagement with Pakistan. The appointment of a new foreign secretary and the tradition of India's top diplomat beginning his or her tenure by travelling first to neighbouring capitals have provided a useful setting to make a fresh start with Pakistan. The Saarc yatra also gives Jaishankar an opportunity to engage Afghanistan, which is at a decisive moment in its political evolution since the ouster of the Taliban by the American forces at the end of 2001.

For centuries now, developments on India's northwestern frontiers have decisively influenced the security environment of the large territorial entities in the subcontinent built around the Ganga and Yamuna. That geopolitical logic has held true for the Mughal Empire, the British Raj and independent India. While there are many bilateral issues that will figure prominently in Jaishankar's talks with Islamabad and Kabul, the foreign secretary is acutely conscious of the new regional dynamic shaping

India's relations with Pakistan and Afghanistan.

The nature of the turbulence on India's northwestern frontiers today is comparable to the developments in 1979-80, including the Islamic Revolution in Iran, the Soviet occupation of Afghanistan and the promotion of a jihad against the Moscow-backed regime in Kabul by America, Saudi Arabia and Pakistan. Indira Gandhi and Rajiv Gandhi sought to respond to the new dynamic by diversifying India's great power relations away from Moscow, strengthening ties with America, normalising relations with China, which had just come out of the Cultural Revolution, reaching out to Saudi Arabia and, above all, seeking improved ties with Pakistan.

India's adaptation, however, was too weak and tentative to make an impact on the regional security environment. For, India's relative weight in the region had steadily declined over the preceding decades. There was considerable internal resistance to the new diplomatic initiatives that prevented taking them to the logical conclusion. As a result, by the end of the decade, India was utterly unprepared for what followed. Prolonged civil war

In Afghanistan, Pakistan's acquisition of nuclear weapons, the collapse of the Soviet Union and Rawalpindi's success in helping the Taliban capture power in Kabul and redirecting violent extremism towards Punjab and Kashmir.

As New Delhi takes a fresh look at its northwestern frontiers, it stares at a number of important trends. Americans are leaving Afghanistan after a decade-long occupation of the country, not on a note of triumph but uncertainty. China, until recently a minor player in the region, has become an important external force in the subcontinent and appears poised to shape the future of Pakistan and Afghanistan.

Meanwhile, both Washington and Beijing believe that reconciliation between Kabul and Rawalpindi holds the key to stability in the northwestern subcontinent. Their efforts appear to have gained some traction, as President Ashraf Ghani of Afghanistan has reached out to Rawalpindi. The Pakistan army chief has, in turn, promised to deliver the Afghan Taliban to the negotiating table.

Saudi Arabia is being squeezed between the rise of Sunni extremism and a resurgent Shia Iran. The Islamic Republic of Iran, which long denounced America as the Great Satan, is inching towards a nuclear deal with the US and is looking to bolster its position in the Middle East and Afghanistan.

Like the changes at the turn of the 1980s, current developments will also have lasting consequences for India. Unlike in the 1980s, India is much better placed today. Its weight in the region and the world has steadily grown, thanks to the economic reforms of the last quarter of a century. Its bilateral ties in the greater Middle East have acquired much more depth. Above all, Delhi has weathered all that Pakistan has thrown at it in Kashmir and beyond.

Yet, Delhi has not been able to take full advantage of this at the diplomatic level. The presumed political need to posture to domestic audiences on Pakistan and an inability to check the hawkishness of large sections of the security establishment have limited Delhi's room for manoeuvre in the northwest. Prime Minister Manmohan Singh had bold ideas, but did not have the support of the Congress to take them to their logical conclusion. Modi, too, is under much pressure at home to signal a hard line towards Pakistan, irrespective of its merits.

It makes sense for the Modi government to break out of the "talks-no talks" paradigm that has

bogged down every single government in the last few years. Delhi's refusal to talk to civilian governments in Islamabad made little difference in the past to Rawalpindi's orchestration of terrorism in region. What might make the difference is Pakistan's emerging recognition of its own vulnerability to extremism, especially after the attack on an army school in Peshawar last December. As Pakistan struggles to cope with the extremist challenge at home and on its western frontiers, Jaishankar would want to assess the scale and scope of this change and its implications for India.

Sticking to Delhi's old political certitudes will only limit India's ability to manage the profound transformation taking place in the northwestern marches of the subcontinent. What Delhi needs is a strategy that will generate some influence for India in shaping the future of this critical sub-region.

Such a strategy will necessarily involve sustained dialogue with Pakistan, a recalibration of the Afghan policy, encouragement to the peace talks between Kabul and Rawalpindi and the readiness to engage all powers, including the US, China, Russia, Iran, Saudi Arabia and Turkey, which have a stake in the region's stability.

### **Modi's Sagar Mala**

C Raja Mohan, Indian Express, 11 March 2015

As he swings across the Indian Ocean this week, Prime Minister Narendra Modi's biggest challenge is not about countering China. After all, Beijing is far away and India is right in the middle of the Indian Ocean. In the near term, the tyranny of geography will limit the scope and intensity of Chinese presence in the Indian Ocean. Modi's real problem is in Delhi, afflicted by a condition called continentalism, which has proved rather difficult to overcome.

Continentalism, marked by an obsession with land frontiers and a sea blindness, has deep roots in Delhi's political history. A number of factors made independent India even more vulnerable to the affliction. Partition created new boundaries within the subcontinent and turned Delhi's political energies inward. The emergence of a strong China to the north and the contestation with it along the Indo-Tibetan border has long drained most of India's strategic attention.

Despite a massive coastline and geographic primacy in the Indian Ocean, India had little time for its vast maritime frontiers. Its continentalist mindset was reinforced by Delhi's inward economic orientation in the 1950s. If India's economic footprint spread all across the Indian Ocean under the British Raj, it steadily diminished thanks to the policies of self-reliance and import substitution in the first decades after Independence. To make matters worse, Delhi's foreign policy revelled in chasing quixotic ideas rather than play to its inherited strengths in the littoral. On the trade and investment front, India chose high-minded rhetoric at the United Nations on building a new international economic order rather than strengthen economic ties with the ocean neighbours.

In the realm of security, Delhi's focus was on turning the Indian Ocean into a "zone of peace", whatever that meant. As Great Britain chose to withdraw from the east of Suez in the late 1960s after two centuries of dominating the Indian Ocean, Delhi believed the UN would help replace British primacy with a system of collective security. While many littoral countries sought a major Indian security role, Delhi was a reluctant partner and declared quite cheerily that talk of a power vacuum was outdated in a post-colonial world.

Delhi's approach began to change in the 1990s. As India embarked on globalisation and trade,



economic connectivity with the Indian Ocean littoral began to come back on Delhi's agenda. India also inched away from the military isolationism of the non-aligned era. After decades of hectoring the great powers to get out of the Indian Ocean, Delhi began to engage all of them, including the United States. At the multilateral level, it started to de-emphasise the UN and focused on regional institutions. Over the last few years, Delhi has sought to revive the moribund Indian Ocean Rim Association, set up in the late 1990s to promote regional cooperation.

Delhi has expanded bilateral and multilateral naval exercises with many of its neighbours in the Indian Ocean. It launched the Indian Ocean Naval Symposium, which brings together the chiefs of the navies every two years to discuss naval cooperation. India has also set up a joint mechanism with Sri Lanka and the Maldives for shared maritime domain awareness. The Indian navy has also focused on maritime capacity building, especially in the island states that occupy critical locations in the Indian Ocean.

The problem for Modi is that the change in Delhi's Indian Ocean policy has been too limited and incremental to cope with the maritime challenges staring at India. Delhi has not been good at tying different, new policy strands into a coherent strategy for the Indian Ocean. Worse still, its political leadership has not had the will or energy to shake the bureaucratic establishment of its continentalist mindset.

To realise India's full strategic potential in the Indian Ocean, Modi will need to focus on three things. One is to boost India's own civilian maritime infrastructure, which has become terribly creaky and utterly inadequate for a country so dependent on the seas for its economic life.

Second, India needs to ramp up its capabilities to take up major maritime projects in other countries. China has stolen a march over India in this area simply because Delhi had gone to sleep. Beijing's projects in the neighbourhood have given India a wake-up call, but Delhi does not have the capacity or a policy framework to bid for and execute major infrastructure projects in the Indian Ocean littoral.

Third, India needs to lend some vigour to its defence diplomacy in the region. Although Delhi talks the talk on being a "net security provider", the ministry of defence is not ready to walk the walk. The MoD is a long way from developing the capabilities, systems and attitudes to make India a productive security partner for the countries of the region.

Finally, Delhi is aware of the need for a big idea to frame the government's plans for a more purposeful maritime engagement in the Indian Ocean. Some have toyed with "Project Mausam (Weather)" to promote India's soft power in the littoral. Others have proposed the idea of a "spice route" to capture India's interest in restoring its historic linkages in the littoral. The prime minister might want to settle on a simple idea that is already a part of Delhi's lexicon — the "Sagar Mala". The concept was first unveiled by the Atal Bihari Vajpayee government in 2003, with the objective of rapid modernisation and expansion of India's maritime sector. Modi has sought to revitalise that idea. It can easily be extended to promote India's connectivity in the Indian Ocean, in both economic and security domains.

Whatever we may call it, the first step is to get Delhi's internal act on the Indian Ocean together. China's Silk Road initiatives, for example, did not emerge from some clever foreign policy strategy; they are an extension of Beijing's domestic initiatives on infrastructure development.

That India needs greater connectivity with its neighbours is not in doubt. All recent governments in

Delhi have identified it as a major national objective. If China has economic compulsions of its own in putting money in regional connectivity, it makes eminent sense for Delhi to work with Beijing. Collaborating with China on Silk Roads does not mean Delhi can't work with Tokyo and Washington in promoting other trade and transport corridors across the Indo-Pacific. Above all, China's "one belt, one road" proposals should encourage Delhi to imagine its own version of silk roads. As he travels across the Indian Ocean this week to Seychelles, Mauritius and Sri Lanka, Modi will have the opportunity to articulate plans to revitalise India's historic maritime connections.

### **The great Game Folio: How to Intervene**

C Raja Mohan

The Indian Express online, March 17, 2015

A fortnightly column on the high politics of the Af-Pak region, the fulcrum of global power play in India's neighbourhood

During his two day visit to Sri Lanka, Prime Minister Narendra Modi walked the fine line between encouraging a political reconciliation between the majority Sinhalese community and the minority Tamils, and avoiding any impression of dictating a settlement. Modi presented India as an engaged but not too intrusive a neighbour. He did something similar when he went to Nepal last year and called on its parliamentarians to quickly wrap up the writing of the constitution.

India's neighbourhood policy has learnt, over the years, to carefully navigate between the principle of non-intervention in the internal affairs of its neighbours and the need to manage the indivisible nature of the subcontinent's security. India's intervention in Pakistan to liberate Bangladesh in 1971 and the deployment of a peacekeeping force in Sri Lanka during 1987-90 are just two examples of how India gets drawn deep into the internal affairs of its neighbouring countries.

Beyond those major interventions, India is often accused of constantly trying to micromanage the internal affairs of its neighbours. China, in contrast, never forgets to mention that it follows a strict policy of non-intervention in the affairs of other countries. Beijing has found particular resonance for this approach in South Asian capitals, where India is often attacked as a neighbourhood bully.

On the face of it, Beijing's policy of dealing with whoever is in power seems smart and risk-free. Not really. Recent developments in Sri Lanka show that Beijing's approach has problems of its own. In Lanka, Beijing got so closely identified with the unpopular regime of Mahinda Rajapaksa that it now faces difficulties in adapting to the regime change in Colombo.

Non-intervention, of course, is not necessarily neutral; it tends to benefit the regime in power irrespective of the merits of a situation. Given the geopolitical unity of the subcontinent, New Delhi does not have the luxury of treating the principle of non-intervention as absolute. That does not mean Delhi can claim a divine right to intervene in the internal affairs of its neighbours. India's own experience in Lanka reminds Delhi that some interventions can turn out to be rather costly and still ineffective. The extent and nature of India's involvement in the internal politics of its neighbours, then, must be based on a prudent judgement of the specific situation at hand.

### **Demand Side**

The question of intervention in the subcontinent is often discussed as a problem on the supply side



— India's great power ambitions and its presumed hegemonic tendencies. But there is a demand side as well. Political leaders in neighbouring countries often seek India's support in resolving their internal disputes when it serves their interests, but are quick to accuse Delhi of meddling in their internal affairs when it does not.

Lanka's former president, Rajapaksa, who blamed India's intelligence agencies for rallying the opposition to oust him in the general elections last January, would have no reason to complain if RAW had "helped" him win the elections. The opposition to India's intervention, then, is not based on principle but about who benefits and who loses from it. This says little about political hypocrisy in the subcontinent, which is endemic, but highlights the reality that Delhi's policies have an impact on the internal power balances in neighbouring countries.

The demands for India's intervention and the vehement political opposition to it are very much part of South Asian life and are unlikely to end soon. The former prime minister of Nepal, Maoist leader Baburam Bhattarai, is facing flak in Kathmandu for saying that India has a role in helping to resolve the constitutional deadlock in his country. The Maoists used to argue that India's regional hegemony was the greatest threat to Nepal. Some opposition leaders in Dhaka, who never missed an opportunity in the past to bash India, are now asking it to put pressure on Prime Minister Sheikh Hasina to hold fresh elections.

#### Maldives Test

Before he can pat himself on the back for a fine diplomatic performance in Lanka, Modi now faces a big political test in the Maldives, where the regime of Abdul Yameen has arrested former President Mohamed Nasheed on charges of terrorism and a perverted judicial system has sentenced him to 13 years in prison.

As things boil over in the Maldives, Nasheed's supporters want India to step in and stop the deliberate victimisation of the former president. But the ruling regime in Male will cry hoarse about India's intervention if Delhi does anything.

Delhi, however, might find it increasingly difficult to remain mute spectator. In this particular case, it may no longer be a question of whether to intervene. For Modi, the challenge in the Maldives is about deciding when and how to act and deciding what goals Delhi must set for any prospective intervention, political or otherwise.

#### **Nawaz Sharif in Saudi Arabia: Pakistan's Leverage in the Gulf**

C Raja Mohan

The Indian Express online, March 05, 2015

It is not often that the King of Saudi Arabia receives visiting foreign dignitaries at the airport. That precisely is what King Salman did on Wednesday when he went to the Riyadh airport to lay out an ostentatious welcome to Pakistan's Prime Minister Nawaz Sharif.

There is speculation that the Saudi Kingdom is seeking Pakistan's military support to shore up its internal and external defences amidst mounting regional tensions. No announcements were made after Sharif met King Salman and other senior members of the Saudi Royal family. But security cooperation was reportedly at the top of the agenda.

Squeezed between Sunni extremism of the Islamic State on the one hand and the rising political clout of the Shia Iran on the other, the Saudis are apparently eager to cash in their many IOUs in Pakistan.

Sharif, of course, owes big to Saudi Arabia, which saved him sheltered him at the darkest moment of his political career, when Gen Pervez Musharraf ousted him in a coup and put him behind bars in 1999. The Saudis persuaded Musharraf to let Sharif out of prison and take exile in Jeddah.

Beyond the personal, the Saudis have always bailed Pakistan out of economic crises by providing oil and money at concessional rates. There have also been reports that Saudis finance Pakistan's clandestine nuclear weapon programme that began in the 1970s.

Pakistan's civilian and military establishments tend to be quite deferential to the Saudi royals and allow them the kind of privileges that a sovereign government rarely extends to another. But the relationship between Pakistan and Saudi Arabia was never entirely one-sided.

The Pakistan security forces have long acted as a military reserve for the House of Saud. After the Islamic revolution in Iran in 1979, Gen. Zia ul Haque sent Pakistani troops to bolster Saudi security. The size and scope of that deployment was never revealed.

Early last year, there was a Saudi 'gift' to Pakistan of \$1.5 billion when Islamabad's foreign exchange reserves sunk to a perilously low level. Analysts in the region linked this gift to requests from Riyadh for the recruitment and training of Saudi-backed Sunni militant groups fighting the Bashar al Assad regime in Syria.

Saudi Arabia's regional security environment has gotten worse since then. Riyadh has been deeply concerned about the gains made by the Shia Houthi rebels in Yemen, with which Saudi Arabia shares a restive frontier. The Saudis are also anxious about the prospect of a nuclear deal between Iran and America that might further boost Tehran's clout in the Middle East.

As Pakistan gets drawn into the regional rivalries in the Middle East, Islamabad is of course conscious of the need to walk the tight rope between its long-standing benefactor Saudi Arabia and Iran with which it shares a long border.

Mounting attacks on the Shia minority in Pakistan by Sunni extremists have been poisoning the political atmosphere between Tehran and Islamabad for some time. There have also been frequent clashes between dissident Iranian Sunni militant groups that have taken shelter on the Pakistani side of the border and Tehran's border security forces.

As Pakistan begins to gain new political leverage in the Gulf, the unfolding geopolitical dynamic in the Gulf has not drawn adequate attention in Delhi. Although foreign minister Sushma Swaraj has travelled to the region frequently and has hosted many senior leaders from the region in Delhi, the government of Narendra Modi appears some distance away from developing a coherent strategy towards the Middle East.

### **Silk Road Focus: Chinese Takeaway**

C Raja Mohan, Indian Express, 10 March 2015

At a press conference over the weekend on the margins of the annual gathering of the Chinese parliament, the National People's Congress, Foreign Minister Wang Yi put the Silk Road initiative at the very top of China's diplomatic priorities in 2015. The initiative, which goes by the popular name

“one belt, one road”, was launched by President Xi Jinping in a series of speeches at the end of 2013. Beijing has pursued it with great vigour since.

Given its enduring impact on India and its neighbourhood, responding to China’s Silk Road initiative is a major challenge for Indian foreign policy. As Prime Minister Narendra Modi prepares for his China visit in May, New Delhi can no longer delay the articulation of a coherent strategy to restore the subcontinent’s historic connectivity.

Xi’s “Silk Road Economic Belt” refers to China’s ambitious plans to develop overland transport and industrial corridors that will deepen China’s economic integration with neighbouring regions all across the Eurasian landmass. He identified five major objectives for the belt: expanding economic collaboration, improving rail, road and fibre-optic connectivity, promoting trade and investment, facilitating currency conversion and boosting people-to-people exchanges. The “road” is shorthand for the “Twenty-first Century Maritime Silk Road” that seeks to develop maritime connectivity between China’s industrialised eastern seaboard in the Pacific Ocean and the resource-rich Indian Ocean. It involves building new ports and industrial zones in different parts of the Indian Ocean. The road connects with the belt through a series of corridors between new ports on the littoral and new trade routes in inner Asia. Last month, China’s central bank announced that

a \$40 billion Silk Road Infrastructure Fund was operational. It is an investment venture modelled after the World Bank’s International Finance Corporation.

### **Eurasian Marshall Plan**

Many observers have compared China’s Silk Road initiative with the Marshall Plan that America extended to Europe after World War II. The Marshall Plan helped reconstruct war-ravaged western Europe and limit the spread of communism in the old continent. It served as the economic complement to the North Atlantic Treaty Organisation in containing the Soviet Union.

Wang, of course, is at pains to deny the implication that China, much like America after the war, is driven by geopolitical motivations in promoting the Silk Road initiative. Wang argued that China’s Silk Road initiative is both older and younger than the Marshall Plan. It is “older because it embodies the spirit of the ancient Silk Road, which has a history of over 2,000 years and was used by the peoples of many countries for friendly exchange and commerce. We must renew that spirit and bring it up to date,” Wang said. He added that it is younger because “it is born in the era of globalisation”.

Wang insisted that the Silk Road initiative is “not a tool of geopolitics, and must not be viewed with the outdated Cold War mentality”. Wang promised that the Silk Road initiative “will be sensitive to the comfort level of other parties, ensure transparency and openness, and create synergy with the existing regional cooperation mechanisms”. Using a musical metaphor, Wang said China’s Silk Road initiative is not a “solo, but a symphony performed by all relevant countries”.

### **Modi’s Version?**

While most of India’s immediate neighbours are eager to join the Silk Road orchestra, New Delhi has chosen to stay out of the symphony for now. It has sought to delay or deflect Chinese proposals on jointly building a corridor connecting southwestern China with eastern India through Myanmar and Bangladesh. Delhi is also quite concerned about China’s plans to integrate Pakistan and Afghanistan with the belt and lock Sri Lanka, Maldives, Mauritius and Seychelles into the road.

India's anxieties arise from the error of viewing China's Silk Road initiative through the narrow prism of geopolitics. Delhi has also been consumed by the old narrative of "China encircling India". If Modi chooses to balance the geopolitical narrative with some economic commonsense, he might come up with a more productive approach to Beijing's Silk Road initiative.

### **India and a fragmented globe**

Shyam Saran, Business Standard, 11 March 2015

In the 1990s, with the end of the Cold War, India was confronted with a vastly transformed international landscape. But, in retrospect, the country was relatively successful in adapting to it. It responded to the collapse of the Soviet Union by rebuilding its relations with the United States. Under the impact of the severe balance of payments crisis, it embraced a strategy of economic reform and liberalisation. The economic shift reinforced the political realignment.

Russia continued to be a key source of defence hardware, but the salience of the relationship declined, particularly as a factor in balancing the perceived challenge of a rising China. It is the United States that assumed that role instead. The adverse US reaction to India's nuclear weapon tests in 1998 was only a temporary setback to a rapidly growing partnership, which culminated in the historic civil nuclear deal of July 2005.

The post-Cold War international environment endured for a quarter of a century, up until the global financial and economic crisis erupted in 2007-08. Until then the virtual monopoly of power enjoyed by the United States led to a relative calm in great power relations. Neither Russia nor China were inclined to confront the United States even if there were perceived transgressions of their interests. The European Union consolidated its political and economic influence and the unification of Germany brought a powerful new influence at the very centre of Europe. On regional issues, such as the conflict in the Balkans, the Afghan War after 9/11, and the invasion and occupation of Iraq, the world acquiesced in the unilateral assertion of American power. On certain issues such as the Iran nuclear programme and tension on the Korean peninsula, there was even a degree of cooperation among the major powers.

This created the illusion that the end of the Cold War had inaugurated a new phase in history, where there was no sharp ideological conflict among major powers and the logic of capitalist market economics commanded universal acceptance. The norms of global behaviour laid down by the Western democracies were deemed to be uncontested.

From a Western perspective, the probability of a major power conflict had diminished and the prospects of cooperation on managing the global commons, and dealing with global and regional challenges had significantly improved. Geopolitics appeared to have receded to the background. From an Indian perspective, the post-Cold War international order was generally supportive of its economic advancement and conducive to the pursuit of its security interests. With the exception of China, the four other members of the UN Security Council joined hands to enable India to gain legitimacy as a nuclear weapon state and engage fully in civil nuclear commerce. The major powers worked closely together to enable the waiver from the Nuclear Suppliers Group in favour of India. Similarly, all major powers supported India's permanent membership of the Security Council, even though for some it was more rhetorical than real.

In Asia-Pacific, India's rise was welcomed and between 1992 and 2012, India graduated from a sectoral partner to Association of Southeast Asian Nations (Asean) to a strategic partner. With China, too, India was able to leverage a more diversified relationship with major powers to successfully manage a complex and sometimes adversarial relationship. In a sense, the decline of geopolitics for the United States and the West helped India deal more effectively with its own geopolitical challenges. Geopolitics has returned and there is renewed contestation among the major powers, and this constricts India's diplomatic space.

The new era of geopolitical competition may be traced to the global financial and economic crisis of 2007-08, from which neither the United States nor Europe have fully recovered - although the United States appears in relatively better shape. The persistence of the crisis has meant that the relatively open and liberal trading environment in the West, which allowed the export-driven economies of China and East Asia to flourish and to emerge as major manufacturing platforms, is now under threat.

In responding to sluggish growth and shrinking markets, both the US and Western economies have been resorting increasingly to protectionist measures, using non-tariff barriers such as imposing environmental or labour standards. For India, which adopted economic reforms and liberalisation comparatively late, these protectionist trends come at a time when there is a renewed effort to establish India as a globally competitive manufacturing hub. "Make in India" will not enjoy an international economic environment as supportive as China did in the post-Cold War period. The US-led Trans-Pacific Partnership (TPP) and its initiative for a Transatlantic Trade and Investment Partnership (TTIP) threaten to create large trading zones with restrictive norms and standards.

India faces the risk of being pushed to the margins of an increasingly fragmented global economy. This may also render the strategic partnership between India and the United States unstable and unbalanced. For a strong partnership, both the economic and security pillars must be strong and mutually beneficial.

It is the perception of a weakened United States and Europe that has led to more assertive behaviour on the part of both major powers like China and Russia as well as regional actors in different parts of the world. The United States has been reluctant to intervene in regional conflicts even as it withdraws its military presence from Afghanistan. A more fractured and somewhat anarchic geopolitical landscape has emerged, confronting India with a more complex and challenging external environment. This is particularly apparent in West Asia, but is also reflected in other regions, including Africa.

The crisis has also led to the independent power and influence of Germany, and this has its own implications for the future of Europe. Some analysts see in the Ukraine crisis a not-too-subtle attempt by the United States and the United Kingdom to rein in Germany and retard its growing engagement with Russia. There is no doubt that the West is divided over how to deal with Russia. Few wish to return to the dangerous tensions of a renewed Cold War.

For India, the Ukraine crisis has introduced a new element of discomfort as it seeks to maintain its residual relationship with Russia, without impacting on its growing partnership with the United States. It is also uncomfortable over the tightening embrace between Russia and China, which works to its disadvantage.

In provoking the crisis over Ukraine, the United States does not appear to have thought through its

incompatibility with its pivot to Asia. In the US-China-Russia triangle, it is China which now holds the levers, not the United States as hitherto.

There appears to be an implicit assumption that India can repeat the China story by following the same prescription: of export-driven, investment-led growth in manufacturing with access to external markets, in a generally stable and peaceful international environment. India cannot follow China's economic trajectory. The task of managing India's foreign relations is also more challenging. The context having changed, it is time to revisit these assumptions.

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### **India needs to correct distortions in military profile**

C. Uday Bhaskar

South Asia Monitor, March 8, 2015

China announced its annual defence allocation at US\$141.5 billion on Thursday (March 5), and this makes it the world's second largest national defence budget. The USA at almost \$600 billion has by far the world's highest military outlay. It may be recalled that India had announced its own defence allocation for the financial year 2015–16 on February 28 and this is pegged at just under \$40 billion (Rs.246,727 crore).

This differential should not come as a surprise for the US remains a very high military spender and is also the lead nation in the world's biggest military alliance - NATO. In the last decade, the US-led war on terror after 9-11 and the subsequent military operations, first in Afghanistan and then Iraq, have led to considerable fiscal expenditure by the Pentagon. The US is unlikely to dramatically reduce its military outlay (about 3.5 percent of GDP) in the near future and will remain the world's most credible and militarily capable country for the next decade plus.

In contrast, both China and India allocate under 2 percent of their GDP towards defence allocation, and given the difference in their respective GDP, the China-India gap is over \$100 billion in Beijing's favor. Most estimates aver that China is relatively opaque about its total defence spending and that the actual amount allocated to the People's Liberation Army may be closer to \$250 billion.

Apart from the PLA military allocation, in past years Beijing had revealed that its internal security budget is higher than its military allocation. However this year, the internal security allocation was not indicated but one may infer that this figure will be in the range of \$250 to \$300 billion. In summary, the annual military and internal security allocation for China this year could well be in the \$500 billion range.

Given the prevailing economic trajectory of China – the annual GDP growth rate has been revised from the double digits of the last two decades to the new normal – of 7.5 percent and the current defence allocation of \$141 billion represents a 10 percent increase from the last year.

In his address to the Chinese parliament, the National People's Congress on Thursday (March 5), Premier Li Keqiang asserted: "We will comprehensively strengthen modern logistics, step up national defence research and development of new- and high-technology weapons and equipment, and develop defence-related science and technology industries,". He further added : "Government at all



levels must always take an active interest in and support the strengthening of our national defence and armed forces."

Enhancing China's overall military capability has been a major objective of the Communist party and from the Mao era through the Deng years to the present period – the unwavering fidelity to this objective has been maintained by the legislature and the military.

In comparison, the Indian story is depressing. From Nehru through the Indira - Rajiv Gandhi decades to the current period, the Indian political class and the legislature have paid lip service to enhancing India's comprehensive military capability. Rich in rhetoric but devoid of determination, the empirical reality is that despite the Kargil war of 1999 and the Mumbai attack of November 2008 that exposed Indian vulnerability in a stark manner – India's higher defence management and military preparedness is in relatively poor condition.

Two distressing statistics bear this out. One - in the last two decades, all the three armed forces have been witnessing an alarming level of inventory (tanks, artillery guns, fighter aircraft, ships, submarines) obsolescence and then Army Chief General V.K. Singh (now a minister in the Modi cabinet ) had alerted former prime minister Manmohan Singh about this depressing reality. Yet over the last two decades (from NDA- I under prime minister A.B. Vajpayee ) through UPA- I and II to NDA II now with Prime Minister Narendra Modi at the helm – the Defence Ministry has returned almost Rs.100,000 crores as unspent. This is a travesty and an abdication by the highest levels of national security management – the Cabinet Committee on Security.

Secondly – in the same period, India has become the world's largest importer of major military inventory, thereby revealing India's poor indigenous defence design and manufacturing capability.

Reviewing this contrast in the trend lines of China and India and redressing the distortions in the case of the latter is the national imperative. The gap between China and India both in GDP and defence allocation is likely to grow in the next two decades – till about 2045. Managing this asymmetry in an innovative, objective and effective manner such that India's core national security interests are not jeopardized will be the abiding challenge for the government in Delhi.

The way ahead will lie not in seeking equivalence with China but in Delhi being able to arrive at the contours of comprehensive military sufficiency to ensure appropriate conventional defence and credible strategic deterrence. New military technologies and related capabilities in cyber and space need to be nimbly incorporated and the paradox is that currently the best Indian brains are being hired by foreign entities who will design, patent, manufacture hi-tech products and then sell the same to Delhi.

Defence Minister Manohar Parrikar and the Chairman of the Standing Committee on Defence B.C. Khanduri have both a challenge and an opportunity before them. The time has come to constitute a 'suraksha niti ayog' and rigorously deliberate over comprehensive national security and correct the distortions that have weakened India's overall military profile.

Emotive breast-beating in India about China's defence allocation is counter-productive. Determinedly emulating the manner in which fiscal allocation has been harnessed to enhance the national techno-industrial base and the military muscle of the PLA may offer the better option.

(Commodore C. Uday Bhaskar (Retd), is Director of the Society for Policy Studies.)

## **Indian Ocean Region must be ready to counter ISIS**

Monika Chansoria

The Sunday Guardian online, March 14, 2015

Indian Ocean ports handle 30% of global trade and half of the world's container traffic.

The environment at sea today faces a potent threat from maritime terrorism. With nearly 42% of world conflicts being associated with countries in the Indian Ocean Region (IOR), the security environs at sea are becoming highly capricious, putting forth a complex set of problems for policymakers, especially since the issue is transnational. The IOR holds immense strategic significance in that around 65% of the world oil reserves belong to just 10 of the Indian Ocean littoral states, along with the region holding 40% of global gas reserves. Besides, the Indian Ocean ports handle about 30% of global trade and half of the world's container traffic passes through the ocean.

With the rise of the extremist terror group Islamic State of Iraq and Syria/ash-Sham (ISIS), the scenario of maritime terror at bay in the regional waters of West Asia and North Africa (WANA) cannot be considered a distant possibility anymore. In fact, terrorists belonging to the ISIS attempted hijacking of an Egyptian missile boat in the Mediterranean in late 2014 — a first-ever such attack on an Egyptian military vessel. Further, the ISIS reportedly planned to attack Israeli vessels and offshore gas drilling rigs, located further up the coast.

The ISIS is making sweeping inroads in Libya by virtually taking complete control of many coastal towns, including the city of Derna on the coast of the Mediterranean, just about 200 miles from the southern shores of the European Union. The black flag of the ISIS is up on government buildings, police cars carry the group's insignia and local football stadiums are being used for public executions, making it appear as any other ISIS-controlled city in Syria or Iraq. The only difference is that this time round, these are cities along Libya's Mediterranean coast, namely, Al-Bayda, Benghazi, Sirte, Al-Khums, and to a certain extent, de jure capital city, Tripoli. In this reference, the potential threat to the European mainland and maritime shipping in the region becomes even more profound. It is but obvious that the ISIS would attempt to use these coastal cities in Libya as their springboard to strike southern Europe with perilous signs of jihadists from Syria and Iraq flooding the cities and preparing launch of strikes on off-shore infrastructure and sea-borne traffic, thereby putting a premium on ensuring coastal security.

This further leads to the question whether the ISIS could end up bringing Somalian-styled piracy to the Mediterranean. Piracy activities off the Horn of Africa linked primarily to Somalia and around the Gulf of Aden have become increasingly well armed and highly motivated. Far more catastrophic would be the ISIS taking cues from activities of the Al Qaeda in the Arabian Peninsula (AQ-AP), with its stronghold in Yemen. With intent to attack international targets, the AQ-AP could well advance their alliance with an affiliate on the other side of the Gulf of Aden, namely, Al-Shabaab. Another compelling maritime terror threat comes from Abdullah Azzam Brigades (AAB), which has demonstrated the capability to attack shipping in the Persian Gulf. In July 2010, an AAB maritime cell attacked the laden Japanese-owned crude carrier M.Star while it was transiting the Strait of Hormuz.



Incidentally, the focus turns towards critical choke points in the Indian Ocean, notably the Straits of Hormuz, Bab-el-Mandeb (West) and Malacca Strait (East). Globally, over 55 mbpd or 64% of the world's total oil flows through these choke points. The fact that Iran threatened to block the Strait of Hormuz a few years ago as retribution for sanctions slapped against it by the West, is a pointer to the sensitivities and potential crises associated with the region. Notably, 20% of global oil passes to the Gulf of Oman and beyond covering the Northern Arabian Sea, Red Sea, Suez Canal, Bab-el-Mandeb and the Strait of Hormuz.

For nations in the region to facilitate maritime commerce and economic activities at sea, ensuring security and protection of maritime domains comes in as an essential pre-requisite, which calls for effective coordination between regional and extra-regional players at the sub-regional, regional and multinational levels. The aim of such a maritime security framework should be to encourage capacity-building to deal with maritime security threats, most significantly terrorism, while keeping commercial shipping, marine installations and critical infrastructures safe. Although regional groups such as the Indian Ocean Rim Association (IORA) comprise 18 member states, with China, Egypt, France, Japan and the UK as dialogue partners, the fact the group focuses, almost exclusively, on trade liberalisation and facilitation and economic investment dialogue, while not directly addressing defence and security cooperation among member states, is a major lacuna that should be addressed with a sense of immediacy.

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### **Redoing India-China sums**

C Raja Mohan, Indian Express, 23 March 2015

The first round of boundary talks with China under the Narendra Modi government, taking place this week, is an opportunity for New Delhi to explore the territorial compromises necessary to resolve the longstanding dispute. With strong leaders at the helm in Delhi and Beijing, there are rising expectations that the two special representatives — Ajit Doval and Yang Jiechi — will be able to find an early breakthrough on the boundary dispute. By their very nature, territorial compromises are not easy, despite the strong political will in Delhi and Beijing. Even the simplest of solutions to the boundary dispute — turning the status quo into a legitimate border — involves a notional exchange of territories and changing the way the two countries have long drawn their maps.

Given the difficulties of finding a final settlement, the two sides have focused, in the last few rounds, on ensuring peace and tranquility on the border. Repeated incursions by both sides across the claimed boundary line have raised tensions on the border in recent years and cast a political shadow over bilateral ties. Further, the lack of agreement on where the Line of Actual Control (LAC) is has complicated the effective implementation of many confidence-building measures for border stability that the two sides had negotiated in recent years. So, the clarification of the LAC has become an immediate political need for both countries.

Both these approaches — maintaining a peaceful border and clarifying the LAC — look beneath the boundary dispute by disaggregating the problem. But the greatest opportunity for the two governments today lies in looking beyond the boundary dispute and altering the broader context in which it plays out. The Chinese have often said expanded bilateral cooperation across the board will set the stage, over the longer term, for addressing the intractable territorial problem left over by

history. That long term might be too far down the road for India's political comfort. A more productive approach would be to focus on promoting cooperation across the shared but disputed frontiers. This cooperation must necessarily be pursued in tandem with efforts to maintain peace on the border and purposeful negotiations to resolve the dispute.

There are three levels at which India and China can develop trans-frontier engagement. One is to promote trade and people-to-people contact across their borders. Tentative efforts in recent decades have not got real traction, thanks to the Indian focus on limited local trade. It is about time Delhi initiated comprehensive MFN trade across the borders. The Nathula Pass between Sikkim and Tibet is a good place to start. Inadequate infrastructure on the Indian side is often trotted out as an excuse in Delhi to avoid substantive trade on the Indo-Tibetan frontier. Modi should turn this policy on its head. He could use the decision to deepen trade ties on the Tibetan frontier as a trigger for rapid modernisation of transport infrastructure across the southern Himalayas.

The promotion of tourism, including spiritual pilgrimage, has been a central theme of Modi's regional policy. This approach has unlimited possibilities with China. Delhi and Beijing must now launch a joint initiative to develop religious and cultural tourism across the Indo-Gangetic plains and bordering regions in Tibet, Yunnan and Xinjiang.

Second, Delhi can build on China's Silk Road initiatives, which call for trilateral and quadrilateral transport and industrial corridors between western China on the one hand, and northern and eastern India on the other. Beijing has been pressing Delhi to cooperate in the development of the BCIM corridor (running through the Yunnan province of China, Myanmar, Bangladesh and India) in the east. It has also suggested a trans-Himalayan corridor between Tibet, Nepal and India. More recently, the Chinese ambassador to India, Le Yucheng, put out an intriguing idea — of extending the China-Pakistan economic corridor to India.

China is investing massively in the development of a corridor running from Kashgar in Xinjiang to Gwadar and Karachi on Pakistan's Arabian coast. China has plans to connect this corridor to Afghanistan through new road and rail links. Speaking last week in Amritsar, Ambassador Ye saw all-round benefits in connecting the two Punjabs and linking them to the new Silk Road. Restoring economic cooperation between the two Punjabs through the Wagah-Attari border between Amritsar and Lahore has been a major goal of India's effort to normalise trade relations with Pakistan.

Until now, India has viewed China's Silk Road projects through a limiting geopolitical perspective. If it leavens its thinking with a bit of economic sense, Delhi might find that these initiatives are rooted in China's massive accumulation of hard currency reserves and excess industrial capacity. If Beijing has a genuine domestic economic imperative to promote regional cooperation with India, Delhi should try and benefit from it, rather than finding clever ways to duck China's Silk Road initiatives.

Finally, there is a new opportunity for unprecedented cooperation between Delhi and Beijing on regional issues, especially on the future of Pakistan and Afghanistan. If Delhi has had reason to see China's ties with Pakistan as an enduring threat in the past, there is a case to view them today as a possible opportunity. As America ends its combat role in Afghanistan and religious extremism rises in Pakistan, China is deeply concerned about the impact on the restive Xinjiang province. If Beijing appears to be redoing its geopolitical sums on India's northwest, Delhi too must suspend, at least for the moment, some of its certitudes on the China-Pak partnership.

As they prepare for Modi's visit to China in May, Doval and Yang might find that expanding economic cooperation across their frontiers and launching political consultations on the vulnerable region they share might, in fact, create better conditions for stabilising their own disputed border and exploring a practical territorial settlement in the near term.

### **Chinese Takeaway: Border Paradox**

C Raja Mohan

The Indian Express online, March 24, 2015

As it looks at the southwestern frontiers with India and its neighbours in the subcontinent, China stares at a paradox. China has ambitious plans to develop mega trans-border projects with Myanmar in the east and Pakistan in the west. China has already built a twin pipeline system running from Myanmar's Bay of Bengal coast to the Yunnan province. It is now ready to pour massive resources into the development of a Pakistan-China economic corridor. China has long seen Myanmar and Pakistan as gateways to the Indian Ocean.

Beijing has a settled boundary with Myanmar and has no arguments with Pakistan about their frontier. But political turbulence has made China's borders with Myanmar and Pakistan increasingly insecure. Despite anxieties on frequent incursions across the disputed portions of the Sino-Indian border, there is no violence on the undemarcated Line of Actual Control that separates Indian and Chinese forces in the Himalayas. Yet, there has been no serious effort to change the economic nature of the Sino-Indian frontier.

In India's east, the ongoing war between Yangon and ethnic Chinese rebels, called the Kokang, in northern Myanmar has spilled over into the bordering Yunnan province in China. Earlier this month, the two sides agreed to jointly investigate an incident in which Myanmarese bombs fell on the Chinese side of the border, killing a few farmers. This has put Beijing in a dilemma. Beijing can't appear to be soft in the face of presumed violations of its territorial sovereignty. Chinese leaders also can't be seen as doing nothing when ethnic Chinese groups are a target of state violence. At the same time, a muscular response will inflame nationalism in Myanmar and make matters worse. It will add Myanmar to the list of Asian countries, including Japan, the Philippines and Vietnam, which have deepening border disputes with China. Beijing had tried in the past to mediate between the Myanmar government and the Kokang.

But Myanmar does not see China as a neutral party and believes there is considerable support from across the Chinese border to the Kokang.

To our west, China is troubled by the deepening turbulence in Afghanistan and Pakistan, and its impact on the stability of the Xinjiang province, where Muslim Uighurs have become increasingly restive. In order to secure its southwestern frontiers, China is expanding its involvement in the Afghan peace process. It is trying to facilitate a dialogue between the Afghan government and the Taliban, and promote reconciliation between Kabul and Rawalpindi.

Many analysts around the world believe that Beijing is in a much better position than Washington to nudge all parties towards peace in Afghanistan, given its special relationship with Pakistan — often described as “higher than the Himalayas and deeper than the Indian Ocean”. Others are not so certain. They see the Pakistan army using China to promote Rawalpindi's interests across the Durand

Line, rather than China's. Put simply, China could merely end up replacing America as Rawalpindi's new sucker in Afghanistan.

### Money and Love

Recent developments in Myanmar and Sri Lanka have undermined the proposition that China can buy political love in the subcontinent by simply investing large sums of money in mega infrastructure projects. It has been conventional wisdom for a while that China is the closest external partner to Yangon and Colombo. But internal political change in both countries has put some key Chinese projects on hold. Uncertainty in Beijing's bilateral political relations with Yangon and Colombo has inevitably followed.

More broadly, China's cheque-book diplomacy and project-building in distant lands have come under stress as many of its partners — from Ukraine to Venezuela and Ecuador to Argentina — drift into financial straits and find themselves unable to repay loans. Meanwhile, others in Sri Lanka have questioned the terms and viability of Chinese-supported projects.

Massive hard currency reserves and excess industrial capacity at home, it appeared, had put Beijing in a powerful position to take up ambitious infrastructure projects beyond its borders. But politics and economics continue to complicate the translation of Chinese assets into concrete outcomes.

### India Option

As New Delhi and Beijing seek a productive economic agenda for Prime Minister Narendra Modi's visit to China in May, there is no way of missing the fit between China's capacities and India's infrastructure needs, both at home and across borders. While China has been seeking India's support for its Silk Road initiatives, Delhi has been reluctant to get on board. Modi, however, has signalled a more open approach to economic engagement with China.

Unlike many other countries where China is making risky investments, Delhi is a more credible long-term economic partner for Beijing. If China is ready for a genuine consultative approach with India and is willing to facilitate serious tie-ups between companies in both countries, Modi should embrace President Xi Jinping's Silk Road initiative.

### **India must join China's Silk Route initiative**

Shyam Saran

Hindustan Times online, March 18, 2015

At the recently concluded session of China's National People's Congress, Chinese leaders declared that the focus of China's diplomacy during 2015 will be on its One Belt and One Road Initiative (BRI).

The initiative refers to the proposal made by Chinese President Xi Jinping in September 2013 for the revival of the ancient land and sea routes linking China with Europe on which silk, tea and other products were traded.

The land route traversed a number of countries in Central Asia, West Asia and the Gulf. The sea route linked China's eastern coast with ports on the rim of the South China Sea, the Malacca Straits, the Indian Ocean and then on to the Mediterranean.

The plan for revival involves the establishment of transportation, energy and communication

networks along with associated trade facilitation, currency exchange and financial infrastructure. It would also promote cultural and people-to-people exchanges. Thus the BRI is comprehensive and multi-faceted and seeks to establish China not only as an Asia-Pacific power but as a truly global power.

Its public diplomacy emphasises the mutual economic and commercial benefits that BRI would generate for all participating countries and underplays the strategic gains that would flow to China. Partners will be attracted by the considerable investment China promises. A Silk Road Fund of \$40 billion has been announced and the Asian Infrastructure and Investment Bank (AIIB), of which India, too, is a founding member, is expected to support BRI projects. For example, China is committed to financing the Colombo Port expansion project with a credit of \$1.4 billion.

China claims that the BRI is not a Chinese 'solo' project but will rather be a symphony that will emerge through consultation and coordination with partner countries. Nevertheless it is clear that the symphony will be orchestrated by a Chinese conductor.

In a recent survey of Chinese literature on the subject there were some writings which were candid about the strategic intent of the BRI. The key objectives mentioned are: First, 'Countering the containment policies of certain Western countries, ensuring safe navigation, improving relations with relevant countries and maintaining security'; second, 'A strategic move towards gradual assertion of Chinese presence in the Asia-Pacific region.... and build China's image as a rising nation that is ready to undertake more international responsibilities and protect its territorial integrity; and, third, the Belt would open up China's western and inland provinces which are comparatively underdeveloped.

There is a reference to \$16.3 billion having been approved for infrastructure development in the so-called Belt provinces, including Xinjiang. The coastal province would benefit from export opportunities made available in an expanded market.

In one commentary, India is described as a key country for the success of the Maritime Silk Road: 'Considering India's enormous development demands and its huge market, it (China) should use the huge potential for bilateral (maritime) cooperation to improve ties with the South Asian country.'

Chinese analysts are aware that the BRI has so far not generated the positive response that had been expected and that there are suspicions about China's motivations. While forswearing such intentions there are also strong assertions that China will defend what it rightfully considers its own territory.

The BRI makes it clear that China considers the Indian Ocean as a vital space for its expanding economic and security interests. Indian and Chinese interests are bound to intersect in the coming years and we will have to find ways to manage an increasingly competitive environment. In a recent article in a Chinese navy journal, a 16-character strategy for the Indian Ocean has been spelt out: 'Select locations meticulously, make deployments discreetly, give priority to cooperative activities and penetrate gradually.'

This is in fact that the strategy which underlies the BRI and describes the manner in which it will be rolled out.

Just as India decided, on balance, to join the AIIB, it should come on board the BRI as well. The Chinese appear to recognise that India will play a key role in the success of the project and that should give it leverage to shape it in a manner conducive to our interests.

We do need massive infrastructure investment and currently China has both surplus capital as well as excess capacity in its infrastructure industry such as steel, machinery and power.

At a time when India is threatened with marginalisation in the global economy by the US-led Trans-Pacific Partnership in the Asia-Pacific and the Transatlantic Trade and Investment Partnership, joining together North American and European economies, the BRI may be a useful alternative to explore.

Prime Minister Narendra Modi appears to have conveyed his willingness to expand economic and commercial ties with China even while taking a more firm position on the security front. Perhaps there may be a trade-off here which India could explore. At the same time there should be every effort made to retain the current but diminishing edge that India possesses in naval power in the Indian Ocean. The recent visit of Modi to three Indian Ocean countries was long overdue and this re-engagement must be built upon.

We should also make speedier progress on the Chahbahar port on the Iranian coast, which will give us access to Afghanistan and Central Asia. This would enable India to be a major player in the overland Silk Route as well.

China sees the BRI as a response to what it considers is a containment strategy pursued by the US. India does not need to sign on to a containment strategy but the strengthening of its security links with the US, Japan, Asean and Australia would give it more room for manoeuvre vis-à-vis China and greater confidence to participate in the BRI.

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The views expressed by the author are personal.)

### **Same same but different: Parliaments of India, China and Japan are all pushing reforms but guess who's ahead?**

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The buzzword across three principal Asian countries – India, China and Japan – is 'reform'. It's clear that their impulses are interlinked and have consequences for the world. Coincidentally, all three have been having key annual sessions of their respective Parliaments whose proceedings provide us some markers as to their respective priorities.

Chinese Premier Li Keqiang's opening speech at the annual National People's Congress in early March laid out the agenda for transforming China into a middle-class nation, by creating an economy based on consumption and innovation, rather than merely investment and export. Arun Jaitley's budget is seeking to initiate his government's huge agenda in a modest and workmanlike fashion. As for Japan, the challenges are different – structural change is needed to give a second wind to an advanced economy trapped in multiple layers of regulation and red tape.

For both India and Japan, China is a benchmark of sorts. Growth of Chinese power has implications for them. Both have outstanding boundary disputes that periodically flare up. But equally important are their concerns relating to the economic and military rise of China.

India, whose economic size approximated that of China in the 1980s, may not be able to match China in this century, with attendant political and strategic consequences. Japan, which has had a troubled



history with China, worries about the consequences of Chinese hegemony in East Asia.

What is striking is the clarity with which China is adjusting to what President Xi Jinping calls the 'new normal' – economic growth slowing to 7.4% in 2014 and possibly 7% in 2015. Beijing has clearly understood that it needs to become an economy based on entrepreneurial skills and better off consumers. NPC is likely to follow the recommendation of the National Reform and Development Commission, China's Niti Aayog, which has proposed cutting down the number of restricted areas in investment from 79 to 35.

Xi told a group of Shanghai parliamentarians on the sidelines of NPC that China will quicken the pace of creating free trade zones and make institutional innovation key to development. 'Innovation' has become the new motto of the Chinese, whether it relates to economy or foreign policy.

In his remarks Li also noted that China has taken steps to cut red tape for private companies, permit online retail to expand. He promised that China will make it even easier to do business. Currently China is listed 90th among 189 nations in terms of ease of doing business; we are listed at 142.

China's strategic goal is among the first of Xi's four comprehensives: "To build an all-round well-off society by 2020". Recall, in 2012, the key word was "moderately" well-off society. The second is to comprehensively deepen reform, the third to create a society which works under the rule of law, and the fourth to "push for stricter governance" of the Communist party itself. The last may sound innocuous, but anyone who has observed the Chinese anti-corruption campaign, knows that it means business, given the list of the high and mighty 'Tigers' who have been brought low.

The test for China is tough enough, but the challenge for India is far tougher. Most Indians are desperate to see PM Modi's government succeed, if only because it is India's last chance at getting onto the high-growth track which can help eliminate poverty by 2030. But what is absent is a sense of self-confidence and clarity over the direction we are headed. As of now we have a slogan: Make in India. Yet it is not even clear as to what this means.

As for policies, government is still grappling with the problems of the past. Recently it passed an insurance reform bill pending since 2008; likewise an overdue mines bill has been passed as well, though the crucial land acquisition bill remains to be passed.

But equally important steps such as the need to cut through the thicket of regulatory regimes that plague India are not yet on the agenda. Whether it is universities, banks, airports, India is one of the most over-regulated countries in the world, a consequence of government's desire to retain the levers of power through regulators, who are almost always former civil servants.

There are no signs, as of now, that the Modi government has a plan to reform the administrative and regulatory system of the country, an important element in any 'ease of business' strategy. It is one thing to say that India will enhance the ease of doing business in the country, quite another to clearly spell out the steps that will be taken and their timeline. As for eliminating corruption, that item seems to be absent from the current government's agenda, though it remains a real problem for the common man.

As for Japan, PM Shinzo Abe has promised "the most drastic reforms since the end of the Second World War". But his efforts have been tangled in the politics of the country and its powerful lobbies – of doctors, farmers, bureaucrats and workers. In the current Diet session, he has slashed the powers



of the agriculture lobby, but he still has a long road ahead. Two of his “three arrows” of reform – higher government spending and massive monetary stimulus – have been blunted and the third, structural reform, remains in his quiver.

One reason for the energy that Beijing exhibits is that the consequences of failure there will be severe – probably the collapse of the Communist party rule. India and Japan only risk the possibility of sinking back into the torpor of low growth or deflation.

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