



INDIA AND SOUTH ASIA: FEBRUARY 2017 DOSSIER

The February 2017 Dossier highlights a range of domestic and foreign policy developments in India as well as in the wider region. These include an analysis of ambitions of the Aam Aadmi Party in Punjab, the deep political crisis in Tamil Nadu and the results of the elections to the Bombay Municipal Corporation, the strategic dialogue between China and India, India's engagement in Africa and its involvement in talks on Afghanistan in Moscow.

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Part I India - Domestic developments

Dr. Klaus Voll analyzes the ambitions of the Aam Aadmi Party outside Delhi and gives a background to the succession crisis in Tamil Nadu (the portraits of Salikala and E. A. Palinasamy are written by Dr. Joyce Lobo). He presents also the results and potential implications of the important municipal elections in Mumbai.

Aam Aadmi Party's power search outside Delhi

The Aam Aadmi Party (Party of the 'common people'/AAP) does not want to confine its presence only to Delhi, where AAP – founded in 2012 as a result of the 'India against Corruption' movement - is ruling with an overwhelming majority since 2015.

AAP contested the recent elections in Punjab and Goa and hopes to come to power at least in Punjab, thereby widening its regional base considerably. AAP aims to fill in the long-term the oppositional space at the national level, which the Congress is gradually abandoning in various parts of India.

Alka Lamba, *Parliamentary Secretary and Member of the Legislative Assembly (MLA)* in Delhi, returned from a five-day tour from Punjab. She is a very good orator in Hindi and spoke up to two hours in front of crowds between eight to ten thousand people during the last phase of the election campaign.

The 42 years old attractive Lamba, divorced and mother of a 18 years old son, expects, that AAP will win in Punjab and even possibly in Goa, where the voter's turnout rose to 82%.

„I don't care for the poll surveys of TV stations, which are close to the BJP. We have systematically conducted our own surveys and have arrived at different results.“

AAP fought with the slogan „*Good Governance and fight against corruption*“ and appealed especially to the 35% Dalits in Punjab. „*Their living conditions are very bad and they have to pay bribes to get government money, which they are entitled to.*“

AAP – without a declared chief ministerial candidate - promised after an electoral victory to install a *Dalit Deputy Chief Minister*.

„People are completely dissatisfied with the old faces, which dominated the politics in Punjab during the last decades. Akali Dal and BJP are in decline. We fight essentially against the Congress and against its chief ministerial candidate Amarinder Singh. Women are against the high consumption of alcohol and drugs. Unemployment is extremely high.“ (See below * Economic Profile of Punjab)

With regard to the Congress, Lamba – for over two decades in the Congress and a *Secretary* there – maintained, that Arvind Kejriwal, Chief Minister of Delhi and AAP-Convenor, has categorically ruled out any coalition with the Congress in Punjab and also in Goa.

„Kejriwal has appealed, to use increasingly social media in order to counterbalance the media power of the BJP. Practically all the AAP-MLA's from Delhi have been going to Punjab, to conduct our election campaign there and to report about our achievements in Delhi, especially in the educational and health sectors, with regard to electricity and water. Nobody here is interested in the speeches of Rahul Gandhi. If we perform well in Punjab then we will move to Gujarat with a view to the elections there in 2018, yet not in case of a defeat.“

Lamba indicated, that AAP wants to become in the long-term the principal opposition party, replacing the Congress. „But AAP does not follow anymore Yogendra Yadav's country-wide strategy, which led to doing too many things at the same time. If AAP will loose the elections in Punjab and Goa, then we risk to be reduced to a regional party.“

According to Alka Lamba, internal information is given to AAP by disillusioned forces from within BJP and Congress, similar to what happened in 2015 in Delhi.

Perspectives

AAP is still a relatively small party with limited intellectual capacities, in order to constructively formulate alternative positions - not to speak about credible alternative models - against the well-oiled media power and propaganda-machinery of the central government.

The exodus of Yogendra Yadav and Prashant Bhushan – two erstwhile important AAP-intellectuals – and the absence of the energies of the founding phase are increasingly visible, besides a concentration on Arvind Kejriwal. Besides the day to day politics, there is insufficient time to debate and think through numerous topics, besides basic questions for instance with regard to the pros and cons of civil nuclear use.

For the BJP, AAP also plays a „useful“ role because of its function to weaken further the Congress and to keep it at a distance. On the other hand, the BJP is trying to contain the wings of the AAP in Delhi, so that it cannot occupy too much space and attention nationally.

But a victory in Punjab and Goa would give AAP a tremendous impetus and make it an important factor in the Gujarat elections in 2018.

Economic Profile of Punjab

Punjab's economy is largely agrarian in nature, but it has also achieved considerable growth in terms of its industries and power generation. More than 80% of the land is brought under agricultural cultivation. Punjab is also known for better connectivity.

Punjab is called the 'granary' of India. More than the rainfall, it is endowed with fertile land and rivers that allows cultivation of *Rabi* (Spring harvest) and *Kharif* crops (Autumn harvest). Farmers utilize tube and canal irrigation techniques to water land. Though it occupies only 1.5% of India's geographical area, it accounts for 17% of the country's wheat and 11% of rice production. It is the largest producer of barley followed by wheat, rice, sugarcane, cotton, pearl millet, sorghum and oilseeds. Hence agro-based industries are large in numbers compared to other forms. Prominent among them are cotton textile, sugar, and dairy. During 2015-16, total vegetable production in the state was 4.16 million tonnes, wheat production stood at 17.10 million metric tonnes, and rice production stood at 10.62 million metric. In 2015-16, production of sugarcane was recorded at 7,125 thousand metric tonnes. As per state budget 2016-17, an amount of US\$ 1.14 billion has been allocated to the agriculture and allied industries sector.

Ludhiana is known for its textile industry. It accounts for 15.47% of India's cotton production (2015-16). Sports goods, hosiery, automotive, and engineering goods are other types of industries apart from banking, real estate, IT services, *Information Technology enabled Services* (ITeS) industries, etc. Mohali has emerged as a hub for IT and ITeS related services.

About US\$ 1.35 billion of FDI equity has flown into the state between the periods of April 2000 and March 2016 as per the *Department of Industrial Policy and Promotion* (DIPP). As per the study by *The World Bank* and *KPMG*, Punjab has more easier procedures to set up business. It has set up the *Bureau of Investment Promotion* (BIP) in Dec., 2013 which is a one-stop clearance for investment proposals. Punjab is not mineral rich state; industries associated with these is less.

Due to its surplus power production Punjab exports to its neighboring states. Some of the famous power projects are the Bhakra-Nangal, Guru Nanak and Ropar. Power is sourced from both thermal and hydro-electricity. Punjab had a total installed power generation capacity of 12,936 megawatt (MW) (as per June 2016).

In 2014-15, Punjab's *gross state domestic product* (GSDP) amounted to US\$ 57.7 billion and *net state domestic product* (NSDP) was US\$ 50.9 billion. Agriculture in itself contributes to 27.19% of the state's GSDP in 2015-16 at the 2011-12 prices. Agriculture contributes, thus, to more than 60% of people's livelihood.

Crisis, instability and a new government in Tamil Nadu

After the demise of the former Chief Minister Jayalalithaa in December 2016, the power struggle between the two factions of the *All India Dravida Munetra Khazagam* (AIADMK) has now come to a preliminary end.

The former acting Chief Minister O. Panneerselvam (OPS) revolted against the Jayalalithaa-confidante Sasikala Natarajan), who – after being installed as AIADMK-General Secretary – wanted to take also over as Chief Minister and allegedly „forced“ OPS to resign.

Vidyasagar Rao – a former BJP Home *Minister of State* at the central level and now as Governor in charge for Maharashtra and Tamil Nadu, delayed his arrival in Chennai and did not install Sasikala immediately as CM, although she claimed to have the numbers.

He waited for the outcome of the *Supreme Court* (SC) verdict in a case of „disproportionate assets“, with the accused being Jayalalithaa, Sasikala and two of her relatives.

After the verdict

Sasikala, being found guilty by the SC, has now to spend four years in prison and is thereafter not eligible for public office for another 6 years. But before she entered the prison in Bengaluru, the IT-capital of Karnataka, she managed to nominate her loyalist Edapadi K. Palanisamy, as leader of the Parliamentary Party.

BJP-General Secretary Ram Madhav called the judgement „important, in order to clean public life. This is an essential commitment of the Modi-government. The central government did not intervene into the recent developments.“

His party colleague Dr. Subrahmaniam Swamy saw this differently with respect to the Governor's role and opined: „Jayalalithaa and Sasikala were – like all the other top politicians in Tamil Nadu - corrupt. Although we have been at the end of the 1990's together in a coalition, I told her, that I would not withdraw the case against her, which she did not mind. Now the Governor has to be his own man.“

'Floor-Test' in the Assembly

After the hopes of the OPS-camp did not materialise, that many MLA's would join its ranks, Edapadi K. Palanisamy won the floor test comfortably with 122 votes in his favour and 11 against him, in the midst of chaotic scenes and mayhem in the Assembly. The required majority in a full house is 118.

After the constitutional vacuum for about ten days, Tamil Nadu is even after the installation of the new government still in a deep crisis.

Future of the AIADMK at stake?

In this „*Theatre of the Absurd*“, the government machinery in Tamil Nadu – one of the best governed states in India – broke completely down. The work of the administration stopped and this in a situation, where two rainy seasons failed, therefore leading to extreme droughts. A spokesperson for the Congress, which plays only a marginal role in this state, spoke of allegedly ten million unemployed in Tamil Nadu.

The AIADMK – well-known analysts call it a „*fascist party, like the DMK*“ - is literally split. *India Today*-Moderator Karan Thapar: „*The party finds itself in an internal civil war.*“ N. Ram, former chief editor of the daily '*The Hindu*' and its co-owner, opined: „*It is part of the culture of the AIADMK, to obey always the leader. The AIADMK is threatened to implode and the DMK is gaining ground.*“

Jayalalithaa's heritage

Both factions are showing their loyalty to the late leader, irrespective of her implicit conviction by the Supreme Court. OPS: „*Amma's spirit is guiding us. Her soul is still alive.*“

How will this *Supreme Court* judgment affect the heritage of the legendary Jayalalithaa – a former actress - who was revered literally as a „*goddess*“ but also got now implicitly convicted? Will there be in future a more rational, transparent and less subservient attitude of the population and electorate with regard to their top politicians and thereby gradually a change of the political culture in this important federal state with a strong industrial base?

The whole power struggle in Tamil Nadu has also to be seen with a view to the question, how the majority faction with its strong presence in both Houses of Parliament in Delhi will vote during the 2017 elections for the Vice President and the President of India, where the ruling NDA-government requires each vote.

Sasikala Natarajan—AIADMK General Secretary

Sasikala Natarajan, the close confidante of former *All India Anna Dravida Munnetra Kazhagam* (AIADMK) *supremo* cum former Chief Minister of *Tamil Nadu* (TN) J. Jayalalithaa (called as *Amma* or Mother) has finally emerged from the shadows of the latter.

With the demise of Amma, *Chinnamma* (younger sister), as Sasikala is known, she did not lose time in securing the very powers that Jayalalithaa had once controlled. O. Panneerselvam who was the CM during the latter's absence—while serving prison time or in the hospital, warmed Amma's seat. He seemed to continue in power after the demise. However, Sasikala, despite being in the shadow, had always pulled the power strings since her association with Jayalalithaa. Hence one cannot say, that she is completely inexperienced in politics or not aware of the party affairs.

Within a few days of the demise of Jayalalithaa on December 05, 2016, Sasikala was appointed as the General Secretary of the AIADMK. This year, on February 04, she was unanimously elected as the chief of AIADMK legislature party, a clear indication, that she would stake claim to the position of CM. With this Panneerselvam resigned.

Sasikala had, and has off late emulated Jayalalithaa in every respect—be it in terms of dressing, portraying benevolent looks, gestures indicative of being at once maternal and also a leader (folding hands or holding the victory sign); continuance of residence at Poes Garden, including addressing people or waving at the audience through the balcony, and now in party and political positions. It seems she has been waiting for this opportunity to wield power that so far had eluded her since 1996. The person, who has come in the way, has been none other than Panneerselvam, who got to fill the vacancy instead of her.

However in a turn of events, Panneerselvam cited that he was forced to resign to make way for the new CM-in-waiting. This may be due to the fact that Panneerselvam may have the support of some of the MLAs and the people. The people have not forgiven the *Mannargudi Mafia*, e. g. various members of Sasikala's family, for bringing shame to Amma and the AIADMK.

Born in 1957, Sasikala began her humble beginnings in Mannargudi. She was married to M. Natarajan who was a temporary *Public Relations officer* to an IAS officer in the Tamil Nadu government. Through this contact, he got his wife introduced to Jayalalithaa who was then the *Propaganda Secretary* of the *Anna Dravida Munnetra Kazhagam*, now the AIADMK, which was under MG Ramachandran. Her interest was to shoot a film on her as the subject. Sasikala wanted to move from the confines of her home and started renting videos and also shooting marriage parties. Sasikala and Jayalalithaa since this first meeting grew closer. The latter's rise in power also boosted Sasikala's ascendancy so much so, that she eclipsed Jayalalithaa. It came to a point, where ministers started taking orders from Sasikala.

Sasikala and her family lived in Poes Garden residence of Jayalalithaa and were called as the *Mannargudi Mafia*, a term given by Dr. Subramanian Swamy, now a BJP M. P... Sasikala looked into matters of Jayalalithaa's household that included hiring and firing of people. Her family members became rich, which caught the attention of the nation itself and led to the 1996 defeat of the AIADMK. Despite this defeat and the cases faced by Jayalalithaa, the friendship between the two never failed till the end. Jayalalithaa distanced Sasikala and her relatives in 1996 and in 2011, but Sasikala mysteriously made a comeback. This has been termed as a sham on part of Jayalalithaa. In the final days of Amma's life, Sasikala did not allow any person, including the CM Panneerselvam, to visit Jayalalithaa at the hospital.

This has probably given enough reason for Panneerselvam to ask for a probe into the death. Jayalalithaa called her confidante as her "soul sister" or '*udanpiravaa sagodhari*' ('sister not related through blood').

Sasikala comes with a notorious background that has its roots in the administration of Jayalalithaa as the CM of TN. After the 1996 assembly defeat of the AIADMK, she was arrested for violating the *Foreign Exchange Regulation Act* (FERA). She was also the co-accused in the TANSI land deal for acquiring land at a price lower than the market price in 1991-92, although Jayalalithaa was acquitted. She, her husband and her 12 family members were dismissed from Jayalalithaa's residence for conspiracy and utilizing her name for money grabbing and various deals.

Edapadi K. Palanisamy, the new CM

E. K. Palanisamy has been active within the *All India Dravida Munnetra Kazhagam* (AIADMK) party since about four decades. Till his alleviation as the leader of the AIADMK Legislature Party, replacing Sasikala Natarajan, he was the *Minister for Highways, Public Works, Minor Ports and Forests*. He is a known Sasikala loyalist and proposed her publicly as successor for the post of General Secretary.

Palanisamy keeps a low profile and has a clean image. He has no relations with the Sasikala family. He has been also an influential Jayalalithaa loyalist and was either No. 3 or No. 4 – assessments differ - in Jayalalithaa's cabinet and thereby part of the inner circle of the former CM.

Palanisamy had contested and won from the Edapadi constituency of the Salem district in Tamil Nadu in 1989, 1991, 2011 and 2016. In 1998 he won the Lok Sabha seat from Tiruchengode. The region from which he hails largely represents the the powerful *Gounder* community – an Other Backward Caste - which, like the *Thevars* – OPS and Sasikala belong to this community – have been staunch loyalists of J. Jayalalithaa and form the backbone of the AIADMK. The western belt of Tamil Nadu is a 'swing region', where the AIADMK fared very well in 2016.

Palanisamy was part of Amma's close coterie, called the *Four Man Army* or *Nalvar Ani*. He rose through ranks and was part of the Cabinet of both Jayalalithaa and O. Paneerselvam in 2016. Since O. Paneerselvam was expelled from the party, Sasikala, who had a short stint as the leader of the AIADMK Legislature Party, appointed - after the Supreme Court ruling found her guilty in the *Disproportionate Asset* case - Palanisamy to her post. Sasikala retains the post of General Secretary of the party.

Palanisamy belongs to a family of agriculturalists and is a student of the sciences. He joined the AIADMK as an ordinary party member. But in 1987, when the party split into two, he joined the sides of Jayalalithaa. Due to his gathering clout in the Salem district, the AIADMK won 10 out of 11 segments in the 2016 assembly polls. He has extensive experience of more than 40 years as a grass roots politician and has served in various party positions, like Propaganda Secretary, Organization Secretary, Disciplinary Committee Member, Headquarters Secretary and Salem Rural District Party Secretary.

Since his alleviation as the leader of the legislature party, Palanisamy has staked his claim to form the government. However in a turn of events, he has also been co-accused for forcing *Members of Legislative Assembly* (MLAs) of TN on charges of abduction at the *Golden Bay* resorts.

Municipal Elections in Mumbai: Shiv Sena and BJP neck to neck

The Municipal Corporation of Mumbai (Bombay) with its nearly 20 million inhabitants is the richest in India, some say even in Asia. Therefore, it is important, which party controls it. For twenty years, the right-wing Shiv Sena, in alliance with the *Bharatiya Janata Party* (BJP), controlled it.

End of the Shiv Sena – BJP coalition?

Since the BJP became in 2014 the leading political force in Maharashtra with its 120 million inhabitants, the relationship between the Shiv Sena and the BJP is more than tense.

On the eve of the 21st of February 2017 elections to the *Bombay Municipal Corporation* (BMC), the Shiv Sena dissolved the traditional electoral alliance – allegedly because of excessive seat demands of the BJP - and declared, that it would go it alone, although the SS is still an alliance partner of the BJP at the center in Delhi and a junior partner in Maharashtra.

The increasing mutual attacks and conflicting positions – the SS declared the NDA-government in Delhi as the „*worst of all times*“ and sharply criticised the „*de-monetisation*“, both parties called each other utterly corrupt - led finally to this step, although opponents call it a gimmick, in order to deviate from the traditionally strong anti-incumbency factor.

For the SS, „*the BMC is the oxygen for the dominant Shiv Sena,*“ given the tremendous financial resources. Besides, the Shiv Sena fought in these elections for its very identity and its *Maratha-pride* ('*Asmita*').

The voter turn-out in India's financial metropolis was 52% and was higher than in previous years. These elections, which took place also in other cities in Maharashtra, was termed as a „*Mini Assembly Elections*“, particularly in Mumbai. Huge cardboards and posters of the SS and BJP dominated the city.

The urgent urban problems of air pollution, the lack of an adequate garbage disposal, which led for weeks on end to big fires, the bad conditions of roads and slums, corruption etc. played a role in the election campaign. The BJP emphasized '*transparent governance and accountability*'.

Results

The Shiv Sena won 84 seats – that is a modest increase compared to 2012 – whereas the BJP reached 82 and won additional 47 seats compared to 2012, which is a massive gain.

The Congress won 31, the Nationalist Congress Party (NCP) 9, the *Maharashtra Nirman Sena* (MNS) 7 and others 14 seats.

The former Congress-Unionminister Millind Deora, who is close to Rahul Gandhi, described „*the performance of the Congress as the worst of all times, although pathetic conditions are prevailing in the city*“ Sanjay Nirupam, Congress-Chief in Mumbai, resigned.

BJP-victories in most cities

With the exception of Thane, an industrial city of several million inhabitants at the outskirts of Mumbai – the Shiv Sena commands there an absolute majority – the BJP is the strongest party in all the other cities – like Pune, Nagpur, Nasik and Solapur, to mention a few – although not everywhere with an absolute majority.

The Congress is a distant third, together with the SS, in its erstwhile bastion Pune, an industrial city with a VW factory and a growing educational center.

The elections to the district councils (*Zillah Parishads*) showed a slightly more even picture, The BJP gained 409, SS 273, Congress 308 and NCP 360 of the altogether 1 518 seats. These results can be explained by the still relatively strong basis of Congress and NCP in rural areas, particularly through their control of the cooperatives.

Perspectives

These elections reinforce the position of the BJP-Chief Minister Devendra Fadnavis, who rigidly campaigned in Mumbai. The BJP could substantially expand its position and continues to enjoy the support of large sections of urban voters, particularly from the upper and middle classes. '*De – Monetisation*' seemingly did not harm the party.

For the Shiv Sena, these elections marked a fight for survival, which it mastered to a certain degree in Mumbai and especially in Thane.

However the MNS of Raj Thackeray, the ambitious and estranged cousin of Uddhav Thackeray, fared miserably and will now most probably enter into political oblivion. The MNS is - besides the Congress and the NCP - the biggest loser in these elections.

These results do mark a clear shift to the „*Right*“, in favour of the '*Hindutva*'-camp, represented by the BJP and Shiv Sena. It has to be seen, if the Shiv Sena and BJP will again enter into a '*marriage of convenience*', given the numbers in the *Municipal Corporation of Greater Mumbai* (MCGM). Yet, Uddhav Thackeray ruled this categorically out and is wooing independents and even the Congress party. The election of the new mayor will be the litmus test.

In the wider political context, it will be in the medium term interesting to see, if Uddhav Thackeray will continue with his new line in competition to the BJP in other states, so recently in Uttar Pradesh and Goa as well as with Hardik Patel – the young leader of the mass agitation for job reservations for middle castes in Gujarat, with a view to the elections in 2018 there.

Uddhav Thackeray's father, the legendary Bal Thackeray, failed miserably with similar attempts – for instance to build a *Shiv Sena* in Delhi and in Punjab – in the 1990's. His successor son might be more systematic, advocating even alliances with regional parties.

Part II India - Foreign Policy Developments

Dr. Joyce Lobo analyses the rationale for the upgraded *India-China Strategic Dialogue*, while examining the continuing of high-level exchanges between India and Africa.

The Upgraded India-China Strategic Dialogue

The relations between India and China have entered a period of chill last year that both sides fully know is unproductive. Trade relations and people to people relations have been taking place in a normal way despite key issues along with the strategic ones causing much of unwanted hindrance.

Heading the senior delegation from India was S. Jaishankar, the Foreign Secretary of India to Beijing for the upgraded strategic talks. He is in an advantageous position to head the talks given his stint as Ambassador to China between 2009 and 2013.

Jaishankar paid a courtesy call to China's Foreign Minister Wang Yi prior to the dialogue (Feb., 22, 2017). Wang pointed to China's interest in increasing strategic communication with India while reducing 'strategic misunderstanding'.

Key issues relating to the Pakistan factor

Key issues have plagued the bilateral relations since last year. China has twice in 2016 put a technical hold on India's application to the sanctions committee of the *UN Security Council* (UNSC) on imposing a ban on Pakistan-based *Jaish-e-Mohammed* chief Masood Azhar. In January this year, it blocked a resolution moved by the USA and supported by France and the UK on the same. China asserted that on producing "*solid evidence*" would it agree to the ban. India and China have failed to arrive at any consensus on this.

Second issue is where China has blocked India's bid to the *Nuclear Suppliers' Group* (NSG). While there is no strong opposition to India's entry, China wants the members to follow a two step approach of an agreed set of principles by the NSG for entry of non-*Non Proliferation Treaty* (NPT) members like India and then to discuss on specific issues. Arriving at commonly held principles will be tricky as animosity between China and the USA manifests amongst its allies and partner countries. India is supported by the USA on the NSG cause while China balances this effect by supporting Pakistan. China seeks the same grounds of concessions for its ally from the NSG members despite the knowledge that Islamabad utilizes *jihadi* networks as part of its foreign policy towards its immediate neighbours—India and Afghanistan.

Both these issues are linked to China's ally Pakistan wherein the former believes that India's rise should not be at the cost of the latter's drubbing or self-esteem on the world stage.

Jaishankar-Zhang talks

The Strategic Dialogue between both the countries is first of the kind which has been upgraded at the level of the secretaries. Jaishankar and *Executive Vice Minister in the Foreign Ministry of China* Zhang Yesui exchanged notes on all aspects of the strategic relations. Jaishankar visited Beijing with a mandate to convince China that accommodation of interests is the answer to realize mutual aspirations.

Most importantly, Jaishankar pointed to the Chinese that the UN ban on Azhar was no more an issue that India alone was pursuing. China has been quick to respond to this logic citing that Azhar was a bilateral issue between India and Pakistan without sufficient evidence. However, the Chinese foreign ministry spokesperson Geng Shuang, as quoted by the *Xinhua*, called the disputes between India and China on key issues as “*multilateral*” and not “*bilateral*”. Jaishankar gave a befitting reply to China’s political decision that the burden of providing proof did not lay with India.

China ‘welcomes’ the idea of India’s entry to NSG. Jaishankar clarified China’s stance on New Delhi’s bid after the talks. China’s view on NSG procedures and processes were different compared to other members including India’s. It wants Pakistan to be given membership if NSG rules are waived for India. This double-speak of China on the NSG issues puts India on the same level with Pakistan which breeds terrorists!

From the way the talks have moved, the positive may be that both countries are still having a dialogue. However what is noticeable is that China finds backing a weak and trouble making country like Pakistan altruistic, which will put undue pressure on India to negotiate terms as per Beijing’s wishes. On the international front Beijing wants to rewrite the rules of the international order today. Jaishankar raised India’s concerns on *China-Pakistan Economic Corridor* (CPEC) passing through the *Pakistan-occupied Kashmir* (PoK) during this meeting. Since this compromised the sovereignty, India has refused to be part of China’s *One Belt One Road* initiative.

The aim of the talks was to see the extent to which both the countries could accommodate each other’s concerns. This comprehensive mechanism for talks was to precede other mechanisms for bilateral negotiations including the talks by the Special Representatives (that includes boundary talks). The talks on resolving the boundary issues have only been able to maintain ‘peace and tranquillity’ at the borders, but have not attained any form of success.

China raised the issue of President Pranab Mukherjee meeting the Dalai Lama at the Rashtrapati Bhavan in December last year. The Tibetan leader is considered as a “separatist” by the Chinese. The use of this word suggests that the Chinese want India to adhere to “One China policy”. Hence it wants India to bow to its pressure of recognising Tibet as part of China, if it has to politically decide in favour of India against Pakistan on terrorism. Also China raised the issue of India inviting three MPs from Taiwan in mid-February.

One of the important challenges that India identifies today is terrorism like China. Both have a common approach of using negotiations instead of military means to counter terrorism. It is here that India should seek negotiating space with China if ever it believes that global response is the need of the hour to tackle the menace.

Second area that India may bargain with China is for commonly agreed security architecture and building connectivity. However this is done in different ways by both countries, especially connectivity.

The dialogue has come at an important time when India aspires for democratising the international order without holding it ransom to its own interests. This is one of the reasons also why Jaishankar headed the talks for negotiating with China on democratising the UNO particularly the UNSC.

Trade deficit with China continues which has been a sore point and the measures taken by Beijing have not helped alleviate the problem. The trade deficit with China stands at US\$ 46.56 billion (2016). Some sections of the Chinese believe that the trade deficit is a problem of the Indians as they find the appliances and manufactured items cost effective.

However, there has been no breakthrough on the key issues except the reiteration of earlier stances. Accommodation of interests would require some give and take from both sides. The factor of Pakistan which underlies the key issues between India and China relations has added more to the quagmire.

India's engagement with Africa: Rwanda and Uganda

Adding more boost to the number of exchanges between India and the African continent, Vice President Hamid Ansari visited Rwanda and Uganda (Feb., 19-23). He was accompanied by Vijay Sampla, Minister for Social Justice and Empowerment and four *Members of Parliament*.

Since the holding of the first *India-Africa Forum Summit* in April 2008, there has been a steady increase in engagements which have gained consistency. Modi visited the Seychelles and Mauritius in March 2015; Mozambique, South Africa, Tanzania and Kenya in July, 2016; and this year he has hosted the leaders of Rwanda and Kenya. President Pranab Mukherjee visited Ghana, Ivory Coast and Namibia in June 2016. Vice President Hamid Ansari visited Morocco and Tunisia in May-June 2016; and Nigeria and Mali in Sept-Oct 2016.

Most of these countries are located on the coast of Africa. This gives credence to the policy of India as the net security provider to the littoral states in the IOR. However, India is building relations with countries beyond the coast especially in the sub-Saharan Africa.

In Rwanda

Ansari visited Rwanda followed by President Paul Kagame's visit in January this year. He held bilateral talks with Kagame and the President of the Senate Bernard Mazuka. He paid homage at the *Kigali Genocide Memorial*. Both countries signed agreements in the field of innovation, aviation and visa regime when Ansari attended the *India-Rwanda Business Forum*.

India assists Rwanda in terms of skill development, training of defence forces, educational scholarships, agriculture, power generation, etc. Both cooperate in areas of solar electrification, food processing, skill development and hydro-power projects. The current bilateral trade between Rwanda and India stands at US\$ 106 million only, though trade has doubled since the last five years.

India has evinced interest in exploring the large methane reserves that Rwanda is endowed with in the Lake Kivu. In the meanwhile Kigali also sought India's experience and expertise in imitating *Digital Inclusion* programs. Like in the case of Uganda, the Rwandan leadership wants India to manufacture locally, especially in the pharmaceutical sector.

In Uganda

India is one of the largest trading partners (US\$ 615 mn) and investors in Uganda. Indian

investments, as in Rwanda, have found ways to areas such as agriculture, mining, construction, pharmaceuticals and financial services. Unlike Rwanda (which is 3000), Uganda has a substantial Indian origin population of 30,000.

Ansari addressed the *India-Uganda Business Meeting*. President Yoweri Museveni pointed to Ansari an important aspect that the Indian business community should not look at the Ugandan market alone but extend their horizon to East Africa and surrounding areas. The rationale for this is to rely less on imports while producing within Uganda (which comprises a population of more than 37 mn) through Indian experience and expertise. The finished products could then get marketed to East Africa (comprises of more than 350mn people).

During Ansari's visit to Kampala, both countries agreed to increase cooperation in energy, space program training, peaceful uses of nuclear energy etc. Both countries are contemplating to sign an agreement on renewable energy. The country's leadership wants Indian businessmen to cooperate in terms of manufacturing automobiles locally.

Africa has relied on export of raw materials while importing manufactured goods from countries like India. India exports more than 60% of the consumer goods to the same. There is some headway made by African countries in this direction to be self-reliant and India can fit the bill to help realize this goal.

Part III South Asia

Dr. Joyce examines the role played by India in Afghan talks held at Moscow.

India in Afghan Talks

India has finally made it to the 'coveted' table to discuss Afghanistan at the special representative level. The consultations dealt with the regional approaches to the security sphere in Afghanistan. China, Pakistan, Iran, Afghanistan and India were led by Russia during the talks. At the end of December last year Russia had invited only China and Pakistan with whom it shares a comfortable relationship. This trilateral meeting was widely condemned in India and Afghanistan wherein Russia was blamed for hosting the same on Pakistan's bidding while excluding the country which was under discussion. Ironically, India-USA-Afghanistan are likely to hold a similar trilateral.

One of the highlights of this December trilateral talks was the convergence of views amongst Russia, China and Pakistan on the need to have a flexible approach through lifting of sanctions against selected Taliban leaders so as to bring these to the negotiating table. India finds this position difficult as it does not believe in talks and terror acts simultaneously. Secondly it does not accept Pakistan as being central to peace in Afghanistan. However Russia-China-Pakistan have converged their interests by suggesting that negotiations with select Taliban leaders is a must as the *Islamic State* (IS) tries to spread its influence in Afghanistan and the surrounding areas. India has only backed the government led by democratic forces in Afghanistan as the rightful authority to decide on peace. In other words it means that Kabul will only decide who should be off the *UN Security Council* sanctions list. And therefore its position enables it have trilateral dialogue with the USA and Afghanistan.

The Afghan Talks

India along with Afghanistan has called the other members of the talk to stick to certain principles of arriving at peace with the Taliban and not to cross the accepted international red lines. Both countries want public guarantees. The idea was to build internal reconciliation while restoring the leading role of Kabul. This is one of the key takeaways of the talks.

The bargain that Russia, China and Pakistan put forward was that they be allowed to directly engage with the Taliban and other restricted groups.

Also the members agreed to comply by the earlier agreed principles of integration of armed opposition to peace.

The six nations agreed to invite countries from the Central Asian region bordering Afghanistan for the next round of talks. Turkmenistan, Tajikistan and Uzbekistan have shown more concerns towards the IS than the Taliban. Indian officials have cast their doubt on this extended participation. It will weaken the negotiations as the focus moves away from the Taliban and other local terror groups. Russia, China, Pakistan and Iran continue their support to the Taliban. Particularly Russia finds the current support as a deterrent to the leadership of the USA in Afghanistan. It now wants to utilise the Taliban services to decimate the IS in Afghanistan. Ironically this was the very "monster" created by the USA to end the influence of the former USSR in Kabul.

The Indian delegation was led by Gopal Baglay (joint secretary) from the *Pakistan, Afghanistan and Iran* (PAI) Division of the *Ministry of External Affairs*. India has stuck to its principled position that any peace effort involving Kabul should involve the latter's leading role. This is what exactly that New Delhi and Kabul tried to convince the other four nations. India wants the legitimacy of the democratically elected government intact in Kabul while nations like Russia, China and Pakistan undermine the same by holding separate talks as they did last December. These three states have deviant forms of democracy and hence their engagement with Taliban stands in contrary to the aspirations of a fledgling democratic state like Afghanistan.

Moscow has cited that the spread of the IS has led it to negotiate with some of the leaders from the Taliban and hence it requires these to be freed from the UNSC sanctions list. To this Kabul, the West and India have their strongest reservations. The USA has been kept out of this one day conclave that took place on February 15, 2017. The Pakistan delegation was led by Mansoor Ali Khan, the Director of the *Iran, Afghanistan and Turkey Division*. The Russian side was led by President Putin's special envoy on Afghanistan Zamir Kabulov.

Senior Afghan officials are in talks with the Taliban where in one of the latter's demand is the lifting of sanctions apart from the exit of foreign armed presence. Afghans also know that if the Taliban is not involved in the peace process, the IS which has a sparse presence especially in the Khorasan region might become a difficult threat to overcome. The latest revelation is that the Afghan forces and the government have only about 60% control over the state while the rest lies with the Taliban and other war lords that operate the opium fields.

However, Kabul has been irked by Russia which was attempting to lead the talks without Kabul's direct involvement. It is here where Afghanistan values India's partnership. India has sought a place in the talks to ensure that the elected government of Afghanistan gets the leading role. In short the voice of the Afghans is heard.
