

PART-F

1 CHAPTER

India and Latin America Policy— Key Drivers

After reading the chapter, the reader will be able to develop an analytical understanding on the following:

- Basic outline
- Initial phase during the Cold War
- Post-Cold War period
- Final analysis

BASIC OUTLINE

Latin America (hereafter referred to as LA) is an emerging growth pole in the 21st century. It is a vibrant block of nations with which India easily synergies due to its youthful population and a stable polity. India exercises deep cultural influence in LA. The love is seen in arts, dance, philosophy and yoga. In Brazil, yoga is very popular. A normal walk in Brazilian cities will prove that in almost every nook and corner, there is yoga centre. The Indian films resonate very well with the LA population. The view LA has held about India has changed over a period of time. Initially, LA used to view India as a land of magic and mysticism, while today it views India as a rising power and an emerging market economy.

Cultural Symbolism and the FIFA

In July, 2014, Brazil hosted the FIFA World Cup tournament. This event always resonates very deeply with Indians, especially those in Kolkata. During the FIFA cup, the youth of Kolkata showed solidarities to Brazil and Argentina. The Kolkata fans are usually divided into two groups in support of Brazil and Argentina. The reason for Kolkata soccer fans supporting Latin American teams like Brazil and Argentina is that they perceive the ability of the LA teams to defeat European teams as a symbolic triumph over the erstwhile colonists by the oppressed. The victory over Europe is celebrated with much fanfare in Kolkata as it is in LA, clearly indicating the fanciful cultural symbolism.

INITIAL PHASE DURING THE COLD WAR

When India became independent in 1947, the country propounded the idea of non-

alignment in the era of bipolarity. India, in the initial years of its independent existence, faced crises situations due to its hostile neighbours. Thus, firstly, Indian policy, in the initial two decades, focused on curbing the threats emanating from the neighbourhood. Secondly, in this period, India also tried to use non-alignment to reconnect with countries where it had some interaction due to the presence of British in India. During this period, LA as a region was completely neglected. India, under the British, had never had extensive interaction with this region. Also, in the strategic calculus that emerged in the aftermath of its independence, LA never acted as a threat to India. Both these factors to some extent were responsible for a lack of initiative from the Indian side to pitch up the relations. Though India did establish diplomatic relations bilaterally with countries in LA in early 1950s, the tone of foreign policy remained low. For India, execution of the ideas of decolonisation and non-alignment were a priority, but the ideas did not resonate well amongst the Latin American nations. Nehru also visited only one LA nation, that is, Mexico, in 1961, during his term as Prime Minister.



Consequences of Neglect

As India marginalised LA, it faced two consequences for its neglect. The most immediate price was at the UNSC vote on the issue of Kashmir. After the first Indo-Pak war in 1948, when India took up the matter of Kashmir at the UNSC, Argentina recommended that Pakistani armed forces should be allowed in Kashmir even when the UNSC was negotiating a demilitarisation of the area. This instance exposed India to the consequences of its lack of initiative to build up relations with LA. As a learning measure, India prioritised building up relations with all nations to garner support for the Kashmir issue which, till then, were neglected. Secondly, when India used military force in Goa to seek its liberation from Portugal in November, 1961, it led to Brazil showering severe criticism on India as Brazil had sided with the Portuguese on the same. This instance also marked a low point in the relationship.

The improvement in the relationship with LA began to take place in 1960s. The establishment of G-77 and the United Nations Conference on Trade and Development (UNCTAD) brought about a resurgence. The G-77 and UNCTAD challenged the existing global model of development dynamics and gave thrust to south-south cooperation. These two platforms provided India and LA a common base to interact and evolve new development dynamics. As the interaction between India and LA increased, the two evolved mutual interests and this marked a new phase of cooperation moving away from the erstwhile neglect. The cooperation that began then continued to deepen and its manifestation was seen finally in the Non-Aligned Movement. By 1983, at the NAM summit, there was participation of fifteen states from the LA and Caribbean. Initially, the LA nations were not keen on the NAM ideas; however, what brought them into the orbit of NAM was the internal change in NAM itself. The NAM, in 1960s, began to mould itself as a platform to initiate a diversification in foreign policy and gradually increased its global assertiveness. The new-found love of India for LA also had roots domestically in India. In India, in 1960s and 1970s, there was a growing rhetoric to tilt towards leftism. The domestic campaign of Garibi Hatao, nationalisation of banks etc and conclusion of

the 1971 Treaty of Friendship and Cooperation with the USSR championed the wave of Third Worldism and a revisionist agenda for a new dynamic of development. This led to attempts at the international level to establish a new international economic order which consequently brought India and LA closer to each other.



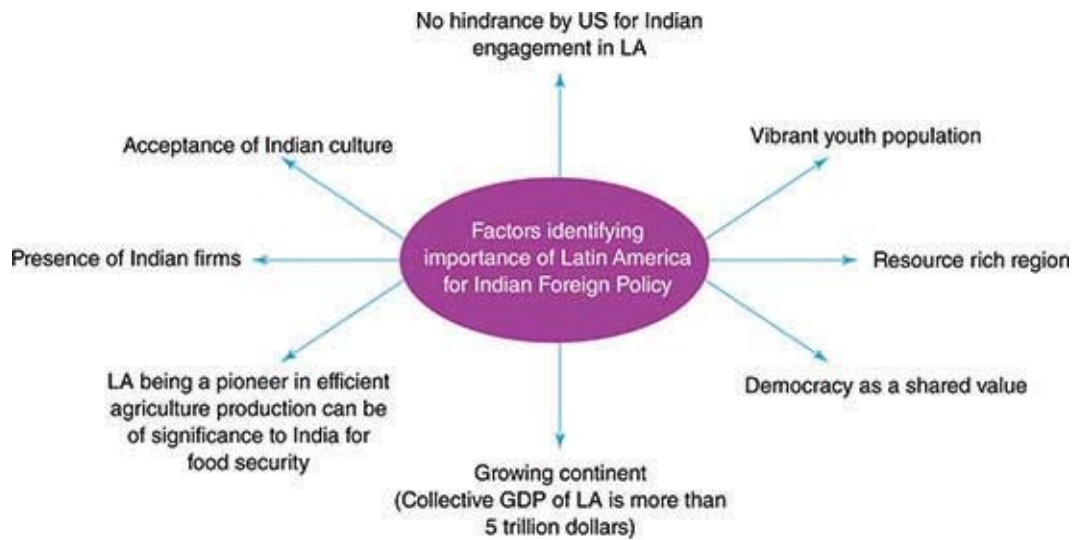
Lack of Leverage in Ecuador

(based on the author's interaction with a diplomat in training of 2016 batch)

In 1984, India closed its embassy in Quito, Ecuador. India cited lack of finances as the reason behind the decision to close down the embassy. However, in July, 1985, some reports began to emerge from Ecuador. This period of 1985 was troublesome period in India due to 1984 Sikh riots and Khalistani extremism. Reports from Ecuador suggested that an Ecuadorian delegation had met Khalistani extremists in London and Ecuador was on the verge of giving recognition to a Khalistani government in exile. India was deeply concerned about the issue. Within few days of India taking up the matter, the Ecuadorian administration announced that the team of people meeting Khalistani leaders in London was a private affair with the Ecuadorian government having no say in it. The issue gradually dissipated but due to the closure of the embassy in 1984 and subsequently weak bilateral relations, India could not exercise any leverage over the issue that was about to challenge Indian sovereignty on an international scale.

POST-COLD WAR PERIOD

India's relations with LA states have improved in the post-Cold War period. The Indian private sector has become an immediate connector in the region. India has improved upon its exports to LA. Today, India exports tons of raw material to LA. This helps LA to use its own private sector to use the raw material import to make finished goods and thus compete at global level and participate in the global supply chain. The trade quantum of India is less in comparison to China, though, a significant difference being that China exports finished goods to LA, while India, as we saw above, provides raw material to LA that gives it an edge to produce its own goods to sell at the global economic level. LA has also emerged as a continent of hope in Indian energy security thought. The Indian PM met his Brazilian counterpart in 2014 when the PM visited Brazil to participate in the BRICS Summit. As the government in India since 2014 has prioritised the development of Indian economy through foreign policy manoeuvring, LA can hold tremendous significance for India ahead.



Why is the Region called Latin America?

Spain and Portugal have been colonial rulers of the entire Latin American region. In fact, Spanish is the most commonly spoken language in the region. Brazil is the only Portuguese speaking nation, surrounded by other Spanish speaking nations. These European languages, namely Spanish, Portuguese, French, Romanian and Italian, are all derived from Latin and this happened majorly during the time of the Roman Empire in Europe. The Europeans who speak these languages are also called Latin people. In the 1860s, the French Emperor Napoleon III was trying to extend his imperial control over the region. It was during the administration of Napoleon III that the term 'Latin America' was coined for the first time to denote the region. That is how the region also came to be known as Latin America. It is widely referred to as the South Americas today.

As the Cold War ended, India attached greater significance to LA nations. India has increased bilateral political visits with the individual nations of the region. This has led to rise in bilateral trade. In 1997, the government initiated the FOCUS–LAC (Latin America and Caribbean) Project. The aim of the project was to enhance the presence of the private sector in the region. Over a period of time, a lot of Indian firms have made their presence felt in the region. Most of the countries in the region, namely Chile, Brazil and Argentina, are rich in oil and copper. They are also all pioneers in agricultural production. India has made its presence felt in not only hydrocarbons but also in IT, corporate governance and the consultancy sector.



Increasing Indian Opportunities: An example of Argentina

In 2010, Argentina imposed restrictions on Chinese goods. Up till 2010, the China–Argentina trade relation never saw any swing. China had been importing a huge amount of soya oil from Argentina, which was its major export commodity. As Argentina imposed restrictions on Chinese goods entering its economy, China, in retaliation, stopped soya oil import. The Argentinean economy was badly affected, and India seized the opportunity and tripled its soya oil imports from Argentina. Thus, India coming to the rescue of Argentina in the soya oil import case bolstered Indo–Argentina ties. Even today, a lot of Indian firms can be seen establishing presence in Argentina.



FINAL ANALYSIS

