UNIT 8 RUSSIA, CHINA AND JAPAN

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8.1 INTRODUCTION

Russia, China and Japan are three major world powers, which can also be called Asian Powers given their geographical location. While China and Japan are Asian countries, Russia is a Eurasian country. These three countries may not individually have the weight of the United States, but Russia has tremendous military capability to threaten the security of the United States. China is also a nuclear power, but its military prowess vis-à-vis the US is limited. However, Russia and China were erstwhile Cold War adversaries of the US, though China had moved closer to the US in 1970s, while China-USSR relations were strained. Japan, on the other hand, has been a close ally of the US. India has had traditionally close security ties with Russia, strategic differences and territorial problems with China and has no inimical relations with Japan, but neither are their relations very close. India today seeks to continue close ties with Russia, normalise relations with China and improve relations with Japan. It is important to examine India's relations with these three major powers of the world, which have geographical proximity with India.

8.2 INDO-RUSSIAN RELATIONS

Russia as a new country in the modern political map of the globe is a little more than ten years old. It is actually the principal successor state to the Union of Soviet Socialist Republic (USSR), which disintegrated in December 1991. Russia was given the permanent seat in the UN Security Council (with a right to veto) which was held till 1991 by the USSR. Since Russia inherited the lion's share of benefits and burdens of the USSR, Indo-Russian relations of today must be understood in the backdrop of Indo-Soviet relations.

India's relations with the Soviet Union during the early years of its liberation from the British *Raj* were not very cordial. In fact, prime minister Jawaharlal Nehru was initially wary of the Soviet Union. Nor was the Soviet Union keen to establish any meaningful ties with the newly independent India. However, the spread of the superpower rivalry around the world motivated the Soviet Union to reexamine its relations with India, which followed a non-aligned foreign policy. India, on the other hand, suspicious of the emerging security ties between the USA and Pakistan, reconsidered its views of and policies towards the Soviet Union particularly in the post-Stalin period. By the mid-1950s India and the Soviet Union appeared all poised to establish closer relations. This trend was considerably strengthened in 1956 when, during a visit to India, Soviet leaders Nikolai Bulganin and Alexei Kosygin referred to Jammu and Kashmir as an integral part of India. Kashmir being a core national security issue with India, the Soviet Union in 1956 in the UN General Assembly, on the resolution calling for democratic elections in Hungary which was then under Soviet occupation.

However, it was after the Sino-Indian war of 1962 that the Indo-Soviet relations assumed added importance. Although the Soviet Union did not have strategic relations with the non-aligned India during the Chinese invasion, Sino-Soviet rift had become crystal clear by that time. The refusal of the US-led Western camp to assist India in expanding its military capability led to the establishment of formal military cooperation between India and the Soviet Union. The two countries in 1962 agreed to begin a programme of military-technical cooperation. India was not keen to enter the Cold War politics. For India, the agreement with the Soviets was a commercial one based on economics and the dire necessity to modernise its armed forces after the 1962 debacle. After all, Soviet military contracts usually had favourable financial terms and provided for licensing of production.

India's long term self-reliance in military procurement and search for strategic autonomy guided India's security cooperation with the Soviet Union. In other words, India did not choose to join the Soviet Camp, it only sought to use the Soviet supplied arms as a stepping stone to achieve strategic autonomy. The Indian non-alignment was, in fact, demonstrated a few years later, when Pakistan agreed to Soviet peace mediation at Tashkent after the 1965 Indo-Pakistan War.

The seismic shifts in regional geopolitics in the late 1960s and early 1970s culminated in an enhanced Indo-Soviet security cooperation. The US approach to befriend China with the help of Pakistan was interpreted in India as the emergence of a new axis of power consisting of those three countries. The simultaneous political upheaval in East Pakistan adversely affected India's national security and economy. Before India and Pakistan would fight the third round of war in 1971, the Soviet Union and India signed a historic Treaty of Peace, Friendship and Cooperation in August 1971.

Since then the two countries developed a kind of mutual trust and cooperation, which appeared solid and durable until the disintegration of the USSR. India met most of its defence needs from the Soviet Union. By a rough estimate, almost 60 per cent of the Indian army's military hardware, 70 per cent of its naval hardware, and 80 per cent of air force hardware originated from the Soviet Union. Moreover, the two countries developed a convergence of views and interests on most of the international issues of the Cold War days.

8.2.1 Tensions after the Collapse of the USSR

The dissolution of the USSR and the emergence of Russia led to several changes in the traditional foreign policy objectives and goals. As the new Russian Federation began to grope for new principles and practices of its foreign relations, three factors led to the sidelining of India in Moscow's policy circles. First, president Boris Yeltsin emphasised a need for the "de-ideologisation" of its foreign policy, which resulted in a "wait and see" policy towards India. The new relationship with India was to be guided by "pragmatism and flexibility" and there was no hurry to devote much time to India.

Secondly, Russian political establishment was divided between two groups—"Westerners or Atlanticists" and "Asia first" groups. Both Mikhail Gorbachev and Boris Yeltsin were "Atlanticists" who pinned their hopes on a renewal of the Russian economy with the help of a new version of the Marshall Plan.

Thirdly, a school of thought concerning future relations with India, headed by Russian foreign minister Andrei Kozyrev, believed that Pakistan was a more valuable asset in fulfilling Russia's immediate foreign policy and security concerns. They argued that Pakistan could become an effective middleman for Russia in dealing with Islamic fundamentalism. The views of this group prevailed in the early 1990s. Consequently, the Russian foreign ministry considered Pakistan, Iran, and Turkey as having a higher priority than India.

Another school of thought comprising some academics, members of the *Duma* and the defence industry strongly believed that Russia should maintain its "special" relationship with India. A strong India, in their view, could be a better bulwark against Islamic fundamentalism and the hegemonic status of the United States. But this school failed to influence the course of foreign policy making.

As the anti-India school of thought dominated Russian foreign policy-making, a major shift in Soviet/Russian policy towards South Asia took place during transition days. In November 1991— about a month before the final dissolution of the Soviet Union, Moscow suddenly supported the Pakistan-sponsored UN Resolution calling for the establishment of a nuclear-free zone in South Asia. It almost gave a political shock to India, since it would mean that India, along with Pakistan, would have to abandon its nuclear programmes.

The support to the Pakistani proposal was partly guided by the desire to get the Soviet prisoners of war released from the "custody of the Pakistan-backed *Mujahideen* factions." In December 1991, when the Soviet Union was breathing its last, a delegation of Afghan *Mujahideen* travelled to Russia. In January 1992, the new Russian government severed all "military supplies, ordnance and fuel for military transport" that were sustaining the war efforts of president Najib's government of Afghanistan against the *Mujahideen*. India once again was seriously concerned over the reversal in the Soviet/Russian policy.

Another event creating stress in the Indo-Russian relations centred on a contract dispute between the Russian space directorate *Glavkosmos* and the Government of India for the purchase of cryogenic engines and the related technology. The contract, signed on 18 January 1991, would have helped India gain knowledge of the liquid oxygen propulsion system of Russian cryogenic engines in order to advance India's geo-synchronous satellite launch vehicle (GSLV) programme. When the United States threatened to impose sanctions under the MTCR on both India and Russia, president Boris Yeltsin promised that he would not give in to US diplomatic pressure. But when the US actually applied sanctions in May 1992, and threatened further economic measures, Yeltsin in July 1993 agreed to suspend the transaction with India and to alter the nature of the transfer to the sale of only the cryogenic engines and not the technology. In return, *Glavkosmos* received bidding rights on more than \$950 million worth of future US space projects.

During the same time yet another controversy, the "rupee versus rouble" debate, negatively affected Indo-Russian relations. India had accumulated a debt of more than \$12 billion owed to the Soviet Union for arms purchases. While India was prepared and willing to pay off its debt, a dispute emerged with the new Russian government over the nature of the currency and the exchange rate that would be used. This dispute led to a collapse of trade relations between the two countries in 1991-92. After considerable negotiations, a resolution was reached in January 1993 that called for India to repay Russia \$1 billion a year in Indian goods until 2005 and the remaining thirty-seven percent of the debt would be repaid, interest free, over a span of forty-five years.

8.2.2 Revival of Close Cooperation

Russia realised before long that its hopes of Marshall Plan type assistance from the West were misplaced. The expansion of North Atlantic Treaty Organisation (NATO), the crisis in the Balkans and several other instances of American unilateralism induced Moscow to reprioritise its foreign policy agenda. Those who supported closer ties with Asian powers could vindicate their ideas. In January 1996, when Yevgeny Primakov replaced the pro-Western Andrei Kozyrev as Russia's foreign minister, Indo-US relations began to change quickly. India once again came under Russian strategic focus.

At a time when US president Bill Clinton put pressure on India on the nuclear issue, Moscow sent a new signal to New Delhi by concluding an agreement to build two Russian light-water nuclear reactors (LWR) in India in defiance of a Nuclear Suppliers Group ban. The accord paved the way for the construction of two 1,000 MW light water nuclear reactors at Kudankalam in Tamil Nadu. It seemed that Russia would not succumb to external pressure this time. While Russia did criticise India for its nuclear tests in 1998, it refused to apply any sanctions against India. Besides, Russia fully supported India during the Kargil conflict of 1999, and it called upon Pakistan to pull back its troops on its side of Line of Control (LOC). President Putin has fully supported Vajpayee government's position on cross-border terrorism, urging Pakistan to destroy its infrastructure of terrorism.

India would no longer face the military difficulties it faced after the Soviet disintegration. India's concern in the early 1990s was its limited supply of spare parts and supplies for its Soviet-produced armaments. Lacking the indigenous capability to produce spare parts and supplies for the Soviet built equipment, India's military faced an immediate crisis. On the reverse side, Russian inability to continue the flow of military hardware, coupled with the sharp reduction in the Indian military expenditures, "weakened the primary bond that had united India and the Soviet Union during the Cold War". By the mid-1990s, in fact, the Indian economic growth and the financial needs of Russia's military-industrial complex quickly mended the "hiccup" in the Indo-Russian military cooperation.

8.3 INDIA-CHINA RELATIONS

India and China are among the oldest civilisations on the planet and have had one of the longest

uninterrupted continuations as nations in world history. The cultural, religious and trade links between these two countries are centuries old.

Intellectual and scholarly interactions between the Indian and Chinese pilgrims and travellers laid a strong foundation of understanding between these two great civilisations. Among the best-known Chinese scholars who visited India was Fa Hien, Sung Yun, Hsuan-Tsang and I-Tsung. And well-known Indians, who visited China, were Kumarajiva, Jinagupta, Jinbhadra, and Bodhidharma.

Even in the modern history of the world, India and China emerged as independent nation-states about the same time. India became independent in 1947 and China took birth as a Communist State in 1949. However, India-China relations have experienced deep fluctuations over the past five decades ranging from compassionate *camaraderie* in the 1950s through armed conflict in the 1960s, strategic distances in the 1970s to efforts for normalisation in 1980s. Since the end of the Cold War in early 1990s, however, the two Asian giants have been searching for a new relationship based on conflict resolution, confidence building and cooperative arrangements. By 2003, both countries had decided to move ahead and build friendship without allowing border question to hamper the Sino-Indian relations.

8.3.1 Beginning of Friendship

Soon after independence, India adopted a policy of non-alignment in the midst of a Cold War climate. But China established close alliance with the former Soviet Union. But it did not affect India-China relations, because prime minister Jawaharlal Nehru considered it to be in India's interest to befriend China.

Nehru quickly welcomed the birth of Communist China in October 1949 and advocated that China had a legitimate place in the comity of nations. India was not only the first among the noncommunist countries to have recognised the People's Republic of China (December 1949) but also promoted with greater zeal its representation in the United Nations.

Nehru's approach to China was marked by warmth and cordiality, despite China's forcible occupation of Tibet in 1950. India protested, but China rejected the protest saying that it was being influenced by imperialist powers. When the Chinese premier Chou En-Lai paid a state visit to India in June 1954, Nehru accorded him a red carpet treatment. Earlier in April 1954, the two countries had signed an agreement concerning trade between India and "Tibet Region of China". This agreement also incorporated the five principles of *Panchsheel*. The two leaders, Nehru and Chou issued a joint statement reiterating *Panchsheel*—five principles of peaceful co-existence, which later became an important set of principles to guide international relations. After about three months prime minister Nehru paid return visit to Beijing. He underlined the need for a strong relation between the two countries in the interest of Asian peace and stability.

In about six months' time, Nehru and Chou En-Lai once again met at the Bandung Conference of Afro-Asian countries in April 1955. Together the two leaders exchanged notes on evolving a common approach of the developing countries to deal with the intricacies of international politics in the midst of Cold War between the two superpowers. Nehru was partly responsible for China's success in winning the goodwill of the non-aligned countries. As India consistently championed the cause of China's representation in the UN, so did many other developing countries.

Some analysts criticised Nehru for supporting China's entry into the UN. But others argued that Nehru's China policy enabled India to manage peace and tranquility on the northeastern borders for at least fifteen years.

8.3.2 Bitterness in the Relationship

The principles of *Panchsheel* and the spirit of Bandung disappeared by late 1950s. The contention between India and China on the border issue and the status of Kashmir gave birth to a period of bitterness in the bilateral relationship. China suddenly raked up the border issue by arguing that there has been no border agreement between India and China and refused to recognise the McMahon line as the international border between the two countries. Secondly, China also claimed the Aksai-Chin region of Kashmir as an area originally belonging to its Sinkiang province. Thirdly, China reversed its policy and began to challenge Kashmir's accession to India. Chinese statements on Kashmir indicated two points: (a) it regarded Kashmir as a disputed territory; and (b) it supported the principle of self-determination in Kashmir. The building of a controversial road in the Aksai Chin area and frequent border skirmishes in other sectors finally led to a border war in October 1962, when China attacked India.

The Sino-Indian War of 1962 had many consequences. First, it was a blow to Nehru's image and prestige at home as well as abroad. He was criticised at home for his idealistic foreign policy and his failure to defend the country's honour. And India's image as a leader of the developing world got a beating. Secondly, India's non-aligned policy was compromised and Nehru had to make a personal appeal to the West, especially to the United States, for military assistance. Third, the defeat of the Indian military had an adverse and traumatic impact on the morale of the soldiers. Fourthly, India lost 38,000 square kilometers of its territory to China (35,000 sq. km. in north-eastern part and 3,000 sq. km. in the western sector). In addition, China lays its claim to approximately 95,000 square kilometers of land in India's eastern sector.

8.3.3 Freezing and Unfreezing of Ties

The Sino-Indian relations were almost frozen for about fourteen years since the 1962 war. Not until 1976 the two countries resumed ambassadorial level diplomatic ties. During the fourteen years, China followed a hostile policy towards India. It established close relations with Pakistan in less than six months after its 1962 military invasion of India. It was in March 1963 that China and Pakistan signed a border agreement. One of the clauses of this agreement made Kashmir an issue involving three countries—India, Pakistan and China, as Pakistan illegally ceded a part of occupied Kashmir China. In 1964, China exploded a nuclear device. Pakistan drew inspiration from China's India war, its new friendship with Beijing, and new nuclear capability of China and launched its second war against India in 1965.

Although there were fears about China's entry into the war, China did not go beyond giving moral and some material support to Pakistan. Presumably, the growing Sino-Soviet rift and the continuing Sino-US hostility prevented China from joining the war on the side of Pakistan.

However, the crushing defeat of Pakistan in the December 1971 Indo-Pakistan war and creation of an independent state of Bangladesh changed India's power profile in South Asia. Moreover, agricultural and industrial successes and demonstration of its nuclear capability in 1974 made India a self-confident democracy in the region. The end of the Vietnam war and the unification of

Vietnam in 1975, moreover, ended the first round of intense Cold War and altered the security scenario of the world.

In the backdrop of all these developments, prime minister Indira Gandhi took steps to normalise relations with China. The first step in that direction was the establishment of full-fledged diplomatic relations with that country. The appointment of a senior foreign service officer, K. R. Narayanan, as India's ambassador to China was more than symbolic. It indicated New Delhi's sincere desire to normalise relations with China. The process of Sino-Indian normalisation continued during the Janata Party rule at the Centre under the leadership of prime minister Morarjee Desai. Atal Behari Vajpayee, then foreign minister, visited China in 1979 and held dialogues with senior leaders of the Chinese Communist Party. China reciprocated the Indian desire to maintain peaceful relations. The rise to power of Deng Xiaoping in Beijing and his policy of instituting unprecedented reforms in several sectors, including economy, were positive factors that provided political impetus to continuing efforts for improving Sino-Indian relations.

The relationship appeared completely unfrozen when in the 1980s several rounds of border talks were held between the officials of the two countries to settle amicably the prolonged dispute. The border talks were actually the result of a fruitful meeting between prime minister Indira Gandhi and the Chinese premier Hua Guafeng in May in 1980. The two leaders agreed to resolve the border disputes and simultaneously supported the idea of improving the bilateral relations for the larger cause of Asian peace and stability. Premier Hua visited India in 1981 and gave a further boost to the increased interactions between the two countries. The seventh round of border talks between 1981 and 1986 completely unfroze the Sino-Indian relationship, although a lasting solution to the contentious issues had not yet been arrived at.

8.3.4 Increased Momentum

In fact, tensions along the Sino-Indian border continued with occasional skirmishes, despite restoration of diplomatic relations between the two countries and several rounds of negotiations on the border issues. The Chinese armed incursions into the Indian side of the border at the Sumdorang Chu Valley in 1987 was a notable example of the border tension even after the seventh round of bilateral dialogue.

However, by the time Rajiv Gandhi became India's prime minister, momentous changes were unfolding in the international affairs. With the rise of Mikhail Gorbachev to power in the former Soviet Union, the superpower rivalry was giving way to a period of unprecedented accommodation and cooperation. As the Cold War was receding and the world focus was on the superpowers, India and China also were seeking to reshape their relations. The path-breaking visit by prime minister Rajiv Gandhi to China in 1988—the first prime ministerial visit in 34 years—wide opened the avenues for high-level exchange of visits by Indian and Chinese leaders.

During this visit, the two sides agreed for the first time to set up a Joint Working Group to defuse tension along borders. More significantly, the leaders of both the countries agreed on the need to concentrate on establishing and enhancing cooperation in other areas of mutual benefit. Consequently, India and China signed several agreements on scientific and technological cooperation and educational and cultural exchange programmes. The Chinese vice-premier Wu Xueqian's visit to New Delhi in October 1989 and the Chinese Premier Li Peng's visit to India in

December 1991 accelerated the improvement of political relations between the two countries.

8.3.5 Post-Cold War Developments

By the time prime minister Narasimha Rao visited Beijing in 1993, the entire international milieu had changed. The Soviet Union had disintegrated and the Cold War had ended. Nations around the world were searching for a new definition of their respective foreign policies in the new context of the global political situation. So were India and China.

Rao's visit to China fructified with the signing of a landmark agreement to maintain peace and tranquility along the Line of Actual Control (LAC). Less than a year later, Chinese president Jiang Zemin paid a visit to India in November 1996 and concluded four agreements in various fields, including a spectacular understanding to institute confidence building measures (CBMs) between the two countries.

But the relationship soon turned sour in the aftermath of a series of nuclear tests by India in May 1998. A reported statement by the defence minister George Fernandes characterising China as a source of threat to India infuriated the Chinese. A leaked letter from prime minister Atal Behari Vajpayee to the US president Bill Clinton justifying the Indian nuclear tests on the ground of China's expanding nuclear arsenals further annoyed the Chinese government.

But India took steps to address the Chinese concern. During his visit to China in July 2000 foreign minister Jaswant Singh reassured the Chinese leaders that India perceived no threat from China. Official interactions soon picked up and culminated in Chinese premier Zhu Rongji's five-day official visit to India in January 2002. The prime minister once again conveyed India's impression that China did not pose a threat to India and went on to emphasise that India did not believe that China regarded India as a threat either. An understanding to create consultative mechanism on counter-terrorism marked the high point of this visit. The leaders of both the countries also emphasised the need to enhance economic cooperation between the two countries. In 2003, first the defence minister, Fernandes and then prime minister Vajpayee paid highly successful visits to China, strengthening the bilateral relations. During Vajpayee visit the two countries agreed to address border questions with care and caution.

8.4 INDO-JAPAN RELATIONS

The relationship between India and Japan is centuries old. During the rein of emperor Kemmei, Japan first came into contact with India. According to one source, Korea in the year 552 AD paid tribute to Japan in the form of an image of Buddha and a copy of Buddhist scriptures. Buddhism was thus introduced in Japan. Several Indian Buddhist monks subsequently visited Japan and brought the two countries together.

While the first contacts were based on religion, by the late 19th Century commercial interests connected Japan with India. Although India was under the colonial rule of Britain, Japan viewed with importance India's role in accelerating the process of its industrialisation. In the mean time, Japanese people developed deep appreciation for Indian nationalism and the Indian leaders came to value Japan's industrial progress as a source of inspiration for the colonial peoples of Asia. Japan's victory over Russia in the war of 1904-05 provided a potent stimulus to Indian nationalism, which was dormant since 1857. During the Indian freedom struggle in the early

decades of the 20th Century, Japan was one of the countries where some Indian nationalists had developed their political activities to garner support for India's independence.

During the Indian freedom struggle, the Indian National Congress was critical of several Japanese policies, including aggression against Manchuria Province of China. But when the Japanese forces defeated the Western colonial powers during the Second World War, it brought cheers to many subject colonial peoples, including Indians. However, the Japanese connection of some Indian nationalist groups, especially the members of *Ghadar* Party and the Indian National Army under Subhash Chandra Bose were meant to help India achieve independence.

For the Japanese people, India has always been a "country of great charm as a centre of old civilisation with rich cultural heritage and as the motherland of Buddhism." In the midst of the freedom struggle, a group of Bengali intellectuals led by Nobel laureate Rabindranath Tagore maintained a close friendship with Japanese intellectuals and artists such as Okakura Tenshin. Moreover, Mahatma Gandhi's philosophy of non-violence attracted many followers and admirers in Japan.

8.4.1 Immediate Post-War Period

A real watershed in the relations between Japan and India came after the end of the Second World War. Japan was a defeated nation. It was under American military occupation and several Japanese were to be tried for their war crimes. Judge Radha Vinod Pal in his dissenting opinion at the Tokyo Military Tribunal questioned the validity of the victor's justice and won the admiration of millions of Japanese people.

Jawaharlal Nehru looked with warmth to the post-war Japan devastated by the atom bombs and under foreign occupation at a time when India itself was able to overthrow the foreign rule. At the moment of Japan's struggle for survival in the immediate postwar period, India offered to supply Japan with iron ore, which was so vital in the reconstruction of Japan. Nehru also refused to participate in the San Francisco Conference to sign a US-sponsored Peace Treaty with Japan and decided to forego claiming reparation against Japan. India established diplomatic relations with Japan in April 1952 and signed a separate peace treaty in June 1952, waiving all reparation claims against Japan.

As Japan began to reshape the country's polity under a new constitution and took steps to revive its economic growth, India sought to maintain cooperative ties with that country. In November 1955, an Agreement for Air Services was concluded, followed by a Cultural Agreement in October 1956 and an Agreement of Commerce in February 1958. An agreement for the avoidance of double-taxation was signed in June 1960. In February 1966, the Japan-India Business Co-operation Committee was established.

8.4.2 Shadow of the Cold War

The emergence of the Communist China in 1949, the onset of the Korean War in 1950 and the Communist/Nationalist upsurge in Indochina brought Cold War into Asia. The US was forced to co-opt Japan as an ally in the Cold War and all that began to determine the nature of Japan-India relations. As Japan's foreign policy came to be influenced by its alliance relations with the US and the 1954 US-Japan Mutual Security Treaty, India followed a policy of non-alignment.

The political divergences of an aligned Japan and non-aligned India were rather too many. To cite a few examples, India and Japan held different views on the Korean and Vietnam wars; and to India's utter surprise, Japan did not even support liberation of Goa from the Portuguese colonial rule. A country that supported "liberation" of Korea and Vietnam from the clutches of Communists by force failed to appreciate the fact that Goa was liberated without shedding a drop of blood.

The growing Indo-US political differences and strategic divergences affected India's relations with Japan, since the latter's foreign policy was conditioned by the western, especially American, views on world affairs. Even then some Japanese appeared to have appreciated and regarded India's non-aligned foreign policy postures and its role in the developing world, since Japan could have followed such a policy but for the compulsion generated by the US influence over post-war Japan. Japan, in fact, viewed India as a rising Asian power and a better alternative model of a developing country than China, despite the political differences on international affairs. The 1962 military humiliation by China of India, however, seemed to have brought some disappointment to Japan and India fell low in the Japanese foreign policy priorities. Diplomatic contacts thereafter became minimal. What was worrisome is the fact that Japan maintained neutrality during the Sino-Indian War of 1962, although the US positively responded to the Indian requests for help. Moreover, at the time of 1965 Indo-Pakistan war, Japan cut off aid and credits to India.

As geopolitical developments in the early 1970s culminated in India's political proximity to the erstwhile Soviet Union in strategic matters, Japan's political distance from India got widened further. Japan did not support the liberation of Bangladesh nor did it endorse India's peaceful nuclear explosion. After all, Japan had a territorial dispute with the USSR and perceived a threat to Japanese sea-lanes from the Soviet Navy operating out of Cam Ranh Bay in Vietnam. Thus Japan's position on the 1971 Indo-Pakistan War and the 1974 nuclear test by India were coloured by Japan's own relations with the former Soviet Union and the Cold War factors. If Japan's sharp reaction against Indian nuclear tests would have been on the basis of that country's principled stand on the nuclear issue, Tokyo would not have abstained from voting in the UN General Assembly in 1978 when India and some other countries introduced a resolution to declare as a crime against humanity the use or threat of use of nuclear weapons. Indeed, the Cold War differences between India and Japan were so intense that there was hardly a substantial issue in the UN where the two countries remained on the same side.

While political differences persisted, there was not much of a meaningful interaction between the two countries in the economic field. Post-war Japan soon began to focus on its economic reconstruction and development and was increasingly successful. This was a time when the Indian economy was stagnating. The economic policy of India focusing on the import substitution strategy disillusioned and discouraged the Japanese from engaging in more positive economic relations with India. The trade relations were minimal. So was the case with the investment climate. Although India became one of the first and the largest recipient of Japan's Official Development Assistance (ODA), the assistance was suspended for years until the mid-1980s when prime minister Rajiv Gandhi visited Japan in the midst of a global political transformation.

8.4.3 After the Cold War

The end of the Cold War and the economic liberalisation policy of India brought an unprecedented

opportunity for India and Japan to forge a new creative relationship. New avenues opened up for cooperation in the economic area, including the fields of trade, investment, and service, as well as the rapidly expanding field of information technology. Japan soon became one of India's most important partners in trade, investment and economic cooperation. The total volume of trade between India and Japan expanded from about \$500 million in 1970 to roughly \$4 billion in 1997. Japan had consistently been the largest bilateral donor for India since 1986 up to 1998 when Indian nuclear tests led to the suspension of the ODA. Japan had committed to India an amount of 1.3 billion US dollars in 1997. In the area of investment, Japanese direct investment in India grew from \$3.9 million in 1993 to \$53.2 million in 1997. Japan ranked as the fifth largest investor in India by the turn of the new millennium. By that time Japan was fully reconciled to India being a nuclear weapon state. High level exchange of visits between two countries introduced new strategic relationship.

8.5 SUMMARY

The end of the Cold War and the disintegration of the Soviet Union brought unforeseen problems in the Indo-Russian relations. India and Russia, however, have once again been able to forge close strategic cooperation. The new strategic convergence of interests between the two countries is devoid of the logic of the Cold War days. The emerging strategic partnership has enabled India to buy considerable number of conventional weapons and military equipment from the Russian military and industrial complex.

Moreover, Moscow and New Delhi have a common view on the need for establishing a multipolar world, countering international terrorism, religious extremism, drug trafficking, and small arms trading. Russia is not opposed to India's emergence as a nuclear weapon power and Russia continues to give unconditional support to India on the Kashmir question.

However, Indo-Russian cooperation remains limited compared to India's previous ties with the former Soviet Union. People-to-people interactions are extremely limited and only a small number of personnel or academic exchanges take place between the two countries. Civilian trade between the two nations amounts to a paltry sum of \$1.4 billion a year and is dominated by the Indian exports of textiles, leather, and pharmaceuticals.

India's close friendship with China in the 1950s soon turned into bitterness when China forced Dalai Lama to flee to India and later when it invaded India in 1962 and occupied a large area of Indian territory. But the bitterness seems to have become a thing of the past in course of time. The two countries have taken several steps since the 1980s to normalise relations. Today, India's relations with China are much better than anytime in the past. The annual bilateral trade between the two countries has crossed \$5 billion mark.

Moreover, both the countries have common concern over the continuing terrorist threats to the international community. The political interactions at the highest levels are also continually taking place since early 1990s. The officials of both countries hold periodic meetings to address the border disputes. However, it is going to be long before the two countries are able to resolve the border dispute.

India has continued concerns over China's WMD (weapons of mass destruction)-related

cooperation with Pakistan. The North Korea-Pakistan cooperation in missile development is believed to be taking place with the knowledge of the Chinese. China, on the other hand, is uncomfortable about the presence of Tibetan minorities in India. It is also wearily watching the direction of Indo-US relations, particularly defence cooperation. Moreover, China appears to be concerned about India's open support to the US policy on missile defence. Nevertheless, both China and India had decided by 2003 to leave behind the past and adopt a fast-track in the growing Sino-Indian relations.

Although Japan has been one of the important donor countries to India since the 1950s, the politico-security relations between the two countries were marginal throughout the Cold War period. The end of the Cold War brought some positive movement in the interactions between the Indian and the Japanese leaders, but the Pokharan II nuclear tests created tremendous tension between Japan and India. By the time India emerged as a declared nuclear weapon power in May 1998, Japan and India were on the verge of reshaping their political, security and economic relations. The improved performance in the economic area was viewed as miniscule compared to the potentialities. After all, if viewed from the Japanese side, the share of Indo-Japanese trade remained less than 1 per cent of its total trade activities.

But the harsh and strong Japanese reaction to the Indian nuclear tests in 1998 almost froze the bilateral relationship for quite some time. However, by early 1999, Taro Nakayama, former foreign minister visited India and handed over letter from the Japanese prime minister to the Indian prime minister. It heralded a new period of relationship between the two countries with the resumption of high-level exchanges. The visit of the Indian defence minister to Japan in 2000 was path-breaking. The conduct of joint exercises by the Indian and the Japanese Navy indicates that the two countries have decided to forge closer political, security and economic ties deep into the 21th Century.

As India and the US are increasingly coming together, the likelihood of closer Japan-India relations also rises. The importance of the Persian Gulf, Indian Ocean and the stability in the Asia Pacific region to both Japan and India is increasingly being realised. Japan today views India as a rising power of Asia. The nature and intensity of Japan-India relations in the 21st Century will be crucial to the maintenance of peace and stability in the world in general and Asia in particular.

8.6 EXERCISES

- 1) What were the areas of bilateral tension between India and Russia after the disintegration of the Soviet Union?
- 2) Explain with examples the Indo-Russian relations since the mid-1990s.
- 3) Why did the initial friendship between China and India turn into bitterness?
- 4) Describe the process by which Sino-Indian relations were normalised.
- 5) What are the current trends in the India-China relations?
- 6) "Cold War events kept India and Japan from meaningfully forging cooperative ties"— Comment.

7) Narrate the ups and downs in the Indo-Japan relations in the post-Cold War era.