Chapter 16

India Rising?

The rest of the world clearly thinks that India will be one of the leading players in the world a few decades from now. Five years ago, in October 2003, the 'BRICs Report' of Goldman Sachs, the world's leading investment banking, securities and investment management firm, had created waves when it forecast the growing importance of the economies of Brazil, Russia, India and China in the coming decades. One of its conclusions was that in the long term India is a potentially greater growth story than China. The argument was that its favourable demographic profile and dynamic private sector would enable India to become the world's third largest economy by 2050. In a follow-up Report in 2007, Goldman Sachs predicted that between 2007 and 2020 India's Gross Domestic Product (GDP) per capita in US dollar terms would quadruple, and that by 2043 the Indian economy would be bigger than the US economy. In March 2006, PricewaterhouseCoopers, one of the world's largest professional services firms, had published a report on the increasing global significance of the 'E–7' emerging economies comprising the four BRIC countries, plus Mexico, Indonesia and Turkey. Two years later, in its updated report of March 2008, PricewaterhouseCoopers is even more optimistic about the potential of China and India. PricewaterhouseCoopers sees India as the third largest economy by 2050, by when India's GDP would be nearly 90 per cent of the US', slightly over two-thirds of China's, and as large as the combined GDPs of Japan,

Germany, United Kingdom (UK), France, Italy, Canada and Spain!

It is not just the world's influential banks and consultancy firms that are talking about India as an increasingly weighty actor on the world stage in the coming decades. India's central role in the WTO negotiations and its involvement in all the new groupings that have come up in the 21st century such as O–5, SCO, EAS, BRIC and China–India–Brazil–South Africa (CHIBSA), testify to its increased relevance in the eyes of the rest of the world. As the financial crisis unfolds, there is an urgent realization, now being increasingly articulated publicly by influential decision-makers around the world, that India has to be involved in managing the affairs of the world. This should make Indians more self-confident that it is the world that will have to adjust to India rather than the other way round.

Such global optimism and expectations about India have led many in India to exult about India's seemingly inexorable rise. There has been unwarranted hyperbole among Indian officialdom, corporate India and sections of the intelligentsia about a 'shining' or 'incredible' India. A large section of the Indian urban elite, which has arrogated to itself the right to determine what constitutes national interest, really believes that India has already become 'First World' and should jettison its 'Third World' baggage. True, India has come a long way. India's considerable assets, which should be leveraged, include its size and pivotal geographical location in the heart of Asia; a growing and youthful population that is in contrast to the demographic trends in most other countries or regions that are present or potential poles of influence and power in the world; a strong scientific and technological base; an open society with a long tradition of individuality and innovation; a diversified economy with a promising rate of economic growth; deeply embedded democratic traditions, a secular polity and the rule of law that provide resilience and some insurance against social and political instability and various elements of India's 'soft power'.

Although India does possess many attributes of a great power, huge parts of India remain undeveloped. It is only the elite that aspire for a 'green card'; most Indians would happily

settle for a mere 'ration card'! India's foreign policy makers should never forget its realities. Many factors continue to hold back India. These include paucity of energy resources, as well as looming fresh water and possibly even food shortages; alarming environmental and ecological degradation; widespread poverty; uneven development that has created growing regional disparities and left large sections of the population out of the developmental process; communal tensions; a weak and vacillating leadership; a growing credibility gap between the masses and the ruling elite; deep-rooted corruption; poor infrastructure; a generally unresponsive bureaucracy; illiteracy and falling educational standards; an antiquated legal and regulatory framework and policies that undermine meritocracy and are unable to attract the most talented people into public service for jobs as military officers, civil servants, doctors, teachers, scientists and technologists. If India is to become an influential player in the world these weaknesses must be overcome. This requires a strong and bold leadership that can muster broad and active popular support for its policies.

Connecting with People

In India, as in most countries around the world, people in general have tended to regard foreign policy as an esoteric activity to which they cannot easily relate their personal interest and welfare. Such perceptions are understandable. In the 21st century, unlike in earlier times when foreign policy had an elitist character, globalization and the revolution in information and communication technologies have made India's foreign policy challenges far more complex and difficult. Among other factors, a much higher level of trade and other economic interaction, including movement of capital and labour across international borders, has become increasingly important for India's economic development. Economic liberalization has raised the stakes and influence of the private sector in foreign affairs. Today, an increasing number of Indians, particularly the young—students, professionals, and businessmen—have global interests and see themselves as global citizens. There is a

sharp rise in general public awareness of foreign policy issues. This makes it all the more necessary and important that there should be a wider public discussion and deeper understanding of foreign policy issues among all stakeholders.

Diplomacy can no longer be conducted in a rarefied atmosphere. Nor is it the exclusive preserve of diplomats and officialdom. The government will always remain the central player in India's foreign policy, but it is not the only one. Government has to play an important coordinating role with all other concerned institutions, organizations and interest groups. Foreign policy issues require understanding and support among India's political class, corporate leaders, journalists, academics and all other sections of the intelligentsia. India's foreign policy framework is determined by national interest, including overriding domestic priorities such as poverty alleviation, economic development and people's welfare. In a democracy like India, people must understand and support the rationale of government's policies. Foreign policy must show that it makes a difference to the lives of people. With a large number of Indian states having land and/or maritime boundaries with foreign countries, their development in important and sometimes critical respects depends on interaction with neighbouring foreign countries. State governments are getting more exposed to direct dealings with foreign entities. The intertwining of many key foreign and domestic policy issues, especially in dealings with neighbours, necessitates close cooperation of the Central Government with state governments.

Changed domestic realities and priorities have made the task of foreign policy formulation more complex. The major parties have been unable to preserve the traditional Indian foreign policy consensus. The phenomenon of coalition governments, now an inescapable reality in India's political life, has given small regional parties a greater say in governance, including foreign policy. Regrettably, regional parties often cannot rise above short-term, local interests and do not consider foreign policy issues in a broader perspective.

Another interest group whose influence on foreign policy has increased is that of the affluent community of Non-resident Indians (NRIs) and persons of Indian origin (PIOs)

settled in the West, particularly the US and the UK. They have strong business linkages with Indian corporate houses and politicians, and are often important financiers of many Indian political parties. NRIs and PIOs play an important role as a bridge between India and their country of abode—in shaping foreign perceptions about India and in furthering economic and cultural cooperation. Sometimes, as in the case of the Khalistan movement, NRIs can also create security problems for India. NRIs and PIOs played an active and crucial role in lobbying for US Congressional support for the India–US nuclear deal. To tap this asset, annual jamborees like the Pravasi Bharatiya Divas serve little useful purpose; there should be focused schemes attractive enough to encourage them to strengthen linkages with India and to use their skills, talent and resources to create capabilities in India.

Separately, India will need to clarify its attitude and policy towards besieged communities of PIOs who have been settled for many decades in countries like Sri Lanka, Fiji and Malaysia. In situations of crisis, their plight, which evokes sympathy in India, could create strains in relations between India and the concerned country. Indian workers in the Gulf constitute a particularly sensitive but somewhat neglected section of Indians living abroad, and India will need to be constantly alert to the need to protect their interests and promote their welfare. There should never be an impression that India cares only for its rich and well-off brethren abroad, not those who are disadvantaged in their overseas homes.

In a democratic country, the media is an important and integral part of the foreign policy establishment. It can be, and frequently is, an invaluable ally of the government, be it to test out an idea, to generate greater public support for an initiative, for example, the India–US nuclear deal, or to establish back-channel contacts with a foreign government. Politicians understandably want to cultivate the media. This has given editors, columnists and commentators in the print and electronic media an opportunity to become active diplomatic players, a role that they relish since this gives them considerable power. However, its far-reaching influence behoves the media to be responsible and independent-minded. At times, journalists

and columnists give in to the temptation of becoming instant 'experts', and can mislead or prejudice viewers with their self-assured views and sweeping judgements. Round-the-clock news channels put the government constantly under pressure for instant reactions, with the result that sometimes sub-optimal policy announcements are made and decisions taken in a hurry, rather than in a considered manner—for example, the decision to release terrorists in jail in India to secure the release of passengers in the Indian Airlines plane that was hijacked to Kandahar in December 1999. The challenge before the government is how to make the media a willing and responsible partner in pursuing India's foreign policy goals.

One of the innovations that the Ministry of External Affairs has introduced is the concept of 'public diplomacy', an idea that is laudable in theory but that does not appear to have been very well implemented in practice. The one issue where public diplomacy was sorely needed was the India–US nuclear deal; unfortunately, a small coterie of no more than a dozen people handled this issue, and the government made no effort to build a national consensus among political parties and civil society on this issue. Instead the government used the media to create the impression that there was wide support for the deal when in fact there was not. On the other hand, an excellent example of public diplomacy was the India–ASEAN Car Rally organized in 2004 that started from Guwahati and ended in Batam, Indonesia after passing through Myanmar, Thailand, Laos, Vietnam, Cambodia, Malaysia and Singapore. It brought India into small villages throughout the region and did wonders for India's image in the ASEAN region. The domestic impact of the rally was equally significant. For the people of the Northeast Region it was a matter for huge celebration, as it gave them hope of the revival of their region's traditional connectivity with their eastern neighbours, and of a more normal and even exciting life beyond being the object of suspicion and crackdown by the security forces. It is this kind of enthusiastic public support that is essential if foreign policy initiatives are to bear fruit.

A most valuable, but an under-utilized, diplomatic asset is India's culture. A person's personality and thinking are shaped

by his cultural traditions. To understand another person's culture is to know what makes him tick, to show respect to him and, ultimately, to get through to him. For centuries, Indian culture, religion and philosophy have attracted millions abroad, which is why India is often called a 'cultural and spiritual superpower'. It is not only the traditional Indian culture that is attracting the rest of the world. Contemporary Indian foods, fashions and films are a magnet for more and more people throughout the world. Even though Buddhism is not an active religion in the country, India remains the Land of the Buddha. India is therefore rightly trying to market the enormous tourism potential of Buddhist destinations. The project to recreate the Nalanda University and to develop a Buddhist tourism circuit augurs well for establishing closer people-to-people links between India and many countries of South, Southeast and East Asia. Cultural diplomacy has to be carefully differentiated according to the target country and the message that India is trying to convey. Used imaginatively and intelligently, cultural diplomacy can be an important means to achieve strategic ends.

The Road Ahead

As in the 19th century, capitalism in the 21st century continues to produce many discontents, arising out of its fundamental weakness that it cannot ensure either sustainable or inclusive growth. The ills of capitalism in the modern era gave rise to socialism, the defining idea of the 20th century. Even if the socialist and communist experiments around the world have left much to be desired, the idea of socialism remains firmly entrenched among hundreds of millions around the globe. The unprecedented massive bailouts of private financial institutions by governments all over the world have emphatically underlined the responsibility of the State to ensure social welfare and stability. The American Dream is no longer achievable even for Americans, much less for the rest of the world. Nor can one be optimistic about authoritarian forms of

governance. If there is to be any hope of peace, stability and harmony in an increasingly turbulent world where expectations have outstripped resources and now threaten to destabilize an iniquitous global political and economic order, the world needs a model of development that takes care of the interests of the world's underprivileged and dispossessed billions. Does India have something to offer the world?

In its foreign policy, India can and must play its role as conscience-keeper of the world. The realist or pragmatic school of foreign policy that holds sway in India today scoffs at any suggestion that morality has a role in world affairs. They believe that power flows out of the barrel of a gun, and that non-violence, as one critic has eloquently put it, is 'a form of masochistic surrender'. Morality, alas, cannot be wished away. It remains the core principle of all religions and continues to guide individual human behaviour. In politics and international affairs, it is a widely employed strategic psychological tool. The practitioners of realpolitik in all countries, including India, invariably rely on moral arguments—be it to persuade, to convince, or to justify. The veneer of morality is what gives legitimacy to arbitrariness.

Half a century ago, a comparatively weak India had a stronger voice in the world because there was a certain morality and therefore a welcome boldness in India's foreign policy. India was seen as a leader. Mahatma Gandhi, because of his moral and ethical view of life, has probably done more for the cause of peace and the image of India abroad than any other Indian. Today, regrettably, India is being seen as a camp follower. Perceptions do matter, perhaps more than reality. As a junior partner, India will not make it to the high table. Leadership implies not just economic and military strength, but also ideas that inspire and motivate. Has the escalating level of violence in the world, which has brought suffering and misery to millions, finally awakened the world's conscience to the need for a revolution against violence? What can and should be India's role in this? The election of Barack Obama, a self-confessed admirer of Mahatma Gandhi, as the US President has raised hopes that there could be a fundamental change in US foreign policy. Is there reason to believe that a

new Indian Government and the Obama Administration could have a convergence of views on this matter? These are issues that India should ponder over.

India can draw inspiration, as well as lessons, from its past. In ancient times, India had a well-developed understanding of statecraft and diplomacy. In his classical treatise *Arthashastra*, Kautilya listed six measures of foreign policy (*sadgunya*)—(*a*) policy of peace (*samdhi*); (*b*) policy of hostility (*vigraha*); (*c*) policy of keeping quiet (*asana*); (*d*) marching on an expedition (*yana*); (*e*) seeking another's protection (*samsraya*); and (*f*) a dual policy of seeking peace with one and waging war against another (*dvaidhibhava*). Alongside the six policies, Kautilya also mentions the four techniques (*chatur upayay*) namely (*a*) *Sama* or the use of friendliness, persuasion, polite argument or reason; (*b*) *Dana* or the resort to gifts, concessions or compromises; (*c*) *Bheda* or the fomenting of discord, dissensions and divisions through use of propaganda and other means and (*d*) *Danda* or the use of force when all else fails. These lessons of statecraft did serve India well. For more than a millennium India was a sophisticated, well-run State. However, security and wealth bred complacency and arrogance. India stagnated and ossified. It fell an easy prey to invaders, its spirit was crushed, its self-confidence destroyed.

When it gained Independence in 1947, India had what Prime Minister Nehru called its 'tryst with destiny'. This has now become an open flirtation. Will India's relationship with destiny be consummated? It can be, provided there is a change of mindset among India's leaders and its people. There can be no place for a *chalta hai* or 'anything goes' attitude. Aspiring to become a great power, India will have to behave like one. Its diplomacy will have to be imaginative and skilful, guided by hard-nosed national interest, and tempered with morality and ethics. The challenge before India is to formulate and conduct an independent foreign policy in the decades ahead so that it does indeed live up to its own expectations and those of the world. India's foreign policy must get back to its moorings, from which India has drifted over the last decade or so. There are no short cuts. Piggybacking strategies are futile. Based on an objective evaluation of India's resources and comparative

advantages, India must have a clear grand strategic design. Tactics can, and must, be continually reviewed and revised. India must have self-confidence in its destiny, determinedly follow clear-headed policies without being pushed around, and work purposefully to build the required institutional structures and public support to sustain its ambitions. Only then can India forge ahead and transform its much vaunted 'potential' into the reality of a strong, prosperous and globally influential country.