

stars insights: 1 March 2019

India's Strategic Positioning among Big Powers of the World

India is soon heading for its next general elections. Prime Minister Modi's five-year term comes to an end in 2019 and the country, as the world's largest democracy, is getting prepared for one more giant election process. Even though Modi's fate will be decided by domestic politics, his achievements and positioning in the world may also be taken into account by India's electorate when choosing the next government. For the world, that choice will be relevant, argues **Philippe WELTI**, Co-founder of Share-an-Ambassa-dor/Geopolitical coaching and Former Swiss Ambassador to Iran and to India.

When dealing with the world, most countries see their relations with the US, the global superpower, as an essential element in their strategic environment. In Asia, countries have, in addition, become aware that their relations with China have grown in strategic relevance. India, a giant population-wise, but not strategically, finds itself at the cross-roads of these two centres of gravity. On the one hand, it is "neighbouring" the US Fleet on open seas, especially in the Indian Ocean, and on the other hand, it shares with China a long common land border in the Himalayans. Furthermore, India is confronted at its Western borders with a hostile neighbour, Pakistan, which has enjoyed American and Chinese support for decades.

Since the turn of the century, the strategic landscape in Asia has been changing and India has got accustomed to the need of adapting to those changes. Choices of the past have been replaced by an approach closer to national interests. Where, in the past, ideological inclinations had been determining for India's partnership with the late Soviet Union, the demise of the latter forced the Indian government to analyse afresh its interests in the world. The international community too has recognised the need to integrate India more actively into a globalising world.

The US, starting with the initiative of President George W. Bush and continuing with Barack Obama, offered India a strategic partnership, ending, thus, the isolation in which India had been pushed because of launching its own nuclear armament. In the field of international trade and military procurement, the US has partly replaced old dependencies on Soviet Union and Russia. In the wider field of regional power equations, the US is betting on India for the development of the relatively new strategic concept of the Indo-Pacific as opposed to the geographic term of Asia Pacific. In this context, the US is also revitalising the Quad, the Quadrilateral Security Dialogue (also known as the QSD) between the US, India, Japan and Australia as a tool of the strategic concept of the Indo-Pacific. The discussion is currently open whether the Quad is a well-meaning nucleus of a wider security structure for Asia, or just a strategic tool directed against hegemonic aspirations of China.

The latter, China, would put India into a dilemma. It runs the risk of being sucked into a potentially undesirable US-China confrontation, and at the same time it would also feel uneasy should the direct relationship US-China lead to a power-sharing arrangement between the two superpowers in Asia. India, on its part, is not seeking any confrontation with its giant neighbour to the North and competitor in Asia. That is the reason why India has taken up with China a maritime dialogue and avoids mentioning China in the context

of the Quad. That was obvious at a recent conference in Singapore, where the US representative made clear how far the Quad had its motivation and raison d'être in the opposition against China's expansionist moves, while the Indian representative did not even mention China. The explicit common ground of Quad partners and some other Asian countries is the concept of a "free and open Indo-Pacific", meaning free and open maritime routes. India added to that wording the expectation that any international order should be "rules-based", i.e. based on rules of public international law, excluding thus hegemonic aspirations of great powers.

India, while accepting a substantially closer cooperation with the US in the field of defence and military armament, has also signed substantial agreements with Russia for the supply of military hardware. The US, who disliked that deal a lot, in the end accepted to give a waiver against its Russia sanctions. India had successfully argued not only that it would not accept limitations to its sovereignty, but also that it has a right to a threat perception of its own. Obviously, the US and India fundamentally diverge on their assessment of the threats that come from Russia or, e.g. from Iran. India retains, thus, its freedom of diplomatic manoeuver and keeps its strategic options open.

Speaking of Iran, another target of US sanctions, India would have been compelled to pay a substantial price for the US sanctions against Iran's oil exports. But in May of this year, after meeting Iran's Foreign Minister Javad Zarif, the Indian Foreign Minister made it clear that India will abide only by U.N.-imposed sanctions and not those imposed by individual countries. Probably adding to this point of principle the argument that trade in oil with Iran had a great economic importance for India, this made it possible for India to obtain concessions from the US in this field. And India is also in a position to carry on its Chabahar project, with which it is developing its own international transportation line. Possibly inspired by China's Belt-and-Road initiative India does exactly the same by constructing a transportation corridor from the Iranian port of Chabahar through Iran up to Afghanistan and Central Asia and circumventing, thus, hostile Pakistan. In addition, it develops together with Russia the International North-South Transportation Corridor running through Iran, which is planned to replace some of the sea-borne trade between Asia and Europe. This, too, cannot please the US, but it is being tolerated by the US for the time being.

A final look at India's permanent security trauma, Pakistan, shows a more recent strategic bargaining power. Both the US and China have been long-time supporters of Pakistan. And both discover now that supporting Pakistan entails a high price in terms of security. President Trump seems to be annoyed that heavy financial and military means have not changed anything in the threats posed by Islamic terrorists finding refuge in the Islamic Republic of Pakistan, its long-time ally. China on its part perceives international Islamic terrorism as a source of influence on its domestic Muslim minority and therefore as a domestic threat. The US' and China's dilemma in the relationship with Pakistan might open new leverage for India in its strategic positioning among big powers of the world. India may still not be in a position to impose its strategic interests globally, but its current Prime Minister at least manages successfully to keep options open on many sides in order to redefine in the future India's position in the world. A re-election of Modi and his government will allow for the continuation of foreign policies as we have recognised them including a more assertive implementation thereof. A new government, however, may go for other choices. With regard to India, the current year will come up with an important juncture of some relevance for the strategic neighbourhood.

Philippe WELTI (welti@swiss-ambashare.ch) retired from the Swiss Diplomatic Service after accomplishing missions as ambassador to India (including Bhutan) and to Iran. Prior to those two missions, Philippe Welti was, from 1998 until 2004, seconded to the Swiss Defence Ministry in Berne in the capacity of Political Director with the rank of ambassador. In that position, he was in charge of strategic affairs, security policy and the minister's international relations and he represented the minister at NATO Ministerial Conferences as State Secretary. Earlier diplomatic postings abroad included Bonn (Germany) as Deputy Chief of Mission, London and New York.

This article, in a slightly different form, has first been published on 7 January 2019 on Share-an-Ambassador.

The views expressed here are solely those of the author and they do not necessarily represent or reflect the views of the stars Foundation.

<u>stars insights</u> are exclusive contributions by business leaders and experts who scan the horizon to discuss geopolitical, economic, technological and further trends and developments which will impact society and business in the next few years.

www.the-stars.ch