

Indian Foreign Policy in an Increasingly Connected Eurasia

by Stefania Benaglia

Connectivity is the new buzzword in international affairs, at least in the Eurasian context. Chinese investments in infrastructure and connectivity through the Belt and Road Initiative (BRI) have brought the link between regional connectivity and economic prosperity back under the spotlight.

Thanks to their successful integration process, Europeans' were once considered the masters of connectivity. More recently, however, European states seem to have forgotten this important lesson and legacy. Asia has not. The region is now embracing many of these principles and India is no exception.

Limited in its geostrategic reach to the northeast by Pakistan and faced with a rising China and the consequent global shifts towards East Asia, India is itself increasing connectivity with its Eastern neighbours. There is a lot of potential here, as South Asia is still one of the least integrated regions in the world.

During his first mandate as Prime Minister, Narendra Modi elevated India's "Look East" policy – developed by Prime Minister Rao in the early 1990s – into an "Act East" policy. Now, the Prime Minister is investing in a "Neighbourhood First" approach, aimed at asserting Indian influence as a regional power through enhanced connectivity and diplomatic relations with countries in the immediate neighbourhood.

India's "Neighbourhood First" approach aims to reinforce India's alliances in the neighbourhood by building on cultural and religious ties, providing development and humanitarian assistance and improving infrastructure connectivity in the region. For this, India is looking to strengthen its role in a number of regional multilateral organisations, including the Association of South East Asian Nations (ASEAN); the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation

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(BIMSTEC); the South Asian Association for Regional Cooperation (SAARC); the Indian Ocean Rim Association (IORA); and the Shanghai Cooperation Organisation (SCO).¹

This focus on countries such as Bhutan, Nepal, Sri Lanka, Afghanistan, Myanmar, Bangladesh, Thailand and the Maldives stems not only from historical ties but also from their participation in China's BRI. New Delhi is seeking to leverage concerns – mostly relating to the sustainability of Chinese loans linked to the BRI – raised by these countries to balance China's growing influence in the neighbourhood.

Relations with China will indeed be a pillar of India's foreign policy in the years to come. These will continue to be governed by the 3 Cs: conflict (particularly regarding border demarcation), competition (especially over countries that once belonged to an exclusively Indian sphere of influence and are now participating in

China's BRI) and, above all, cooperation (China being India's second largest trading partner, following the EU). However, each of the 3 Cs enjoy equal footing in driving relations between India and China. In light of the deep interdependence between the two countries, it is unlikely that one dimension will dominate the remaining two.

In addition to nurturing special relations and projecting influence in its immediate neighbourhood, India is reinforcing bilateral partnerships with other regional powers such as Japan and Australia, both of which are concerned by the rise of China. India's partnership with Japan, in particular, was elevated from economic cooperation to include cooperation on maritime security, global climate and UN reforms.²

Aside from strong bilateral cooperation, India and Japan collaborate in multilateral formats with economic priorities, such as the recently inaugurated Asia-Africa Growth Corridor, an economic cooperation agreement between the governments of India, Japan and multiple African countries. Yet, cooperation between Japan and India also includes the security domain.

Together with Australia and the US, India and Japan are members of the

¹ ASEAN's 10 members are: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam (see official website: <https://asean.org>). BIMSTEC's 7 members are: Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand (see official website: <https://bimstec.org>). SAARC's 8 members are: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka (see official website: <http://saarc-sec.org>). IORA's 22 members are: Australia, Bangladesh, Comoros, India, Indonesia, Iran, Kenya, Madagascar, Malaysia, Maldives, Mauritius, Mozambique, Oman, Seychelles, Singapore, Somalia, South Africa, Sri Lanka, Tanzania, Thailand, United Arab Emirates and Yemen (see official website: <https://www.iora.int>). SCO's 8 members are: China, India, Kazakhstan, Kyrgyzstan, Pakistan, Russia, Tajikistan and Uzbekistan (see official website: <http://eng.sectsc.org>).

² Harsh V. Pant and Kabir Taneja (eds), "Looking Back and Looking Ahead: Foreign Policy in Transition Under Modi", in *ORF Special Reports*, No. 93 (July 2019), p. 34, <https://www.orfonline.org/research/looking-back-looking-ahead-foreign-policy-in-transition-under-modi-53332>.

Quadrilateral Security Dialogue (also known as Quad). Launched in 2007, Quad seeks to strengthen maritime security cooperation in response to China's enhanced influence in the Indo-Pacific. After a decade long hiatus, the format is witnessing renewed interest. The US's inclusion of the Indo-Pacific region in both its National Security Strategy and National Defence Strategy has reinforced the geostrategic importance of this region.³ The Indo-Pacific will indeed define the geopolitical order in the years to come, and it is in this context that India recently established an Indo-Pacific department within the Ministry of External Affairs.

Against this backdrop, there is an opportunity for the EU and India to elevate their strategic partnership. If frictions in the Indo-Pacific continue to increase, the EU, as well as India, will have to define a new conundrum of relations with China, a partner which neither the EU, nor India wants to confront with hostility.

Through the adoption of the EU Connectivity Strategy for Asia,⁴ as

much as by signing FTA agreements with Japan and Vietnam, the EU is elevating its status in the Asia-Pacific. The EU is also learning how to leverage political influence embedded in strong economic relations – the EU being India's first trading partner – and is also finally beginning to elevate its profile as global security provider. The EU is creating a common defence market and appointing security attachés in a number of EU Delegations, including to New Delhi.

In this context, the adoption of the Strategy for India⁵ is another positive indication of Brussel's renewed interest in revitalising the strategic partnership with India. Enhanced cooperation in the Asia-Pacific region, especially in the maritime security domain where the EU and India are just beginning to cooperate, could be a stepping-stone towards a strategic partnership true to its name.

There is no alternative for EU and India to work together in defence of multilateralism and for a global order which is more democratic, inclusive, strong and sustainable.⁶ The strategic

³ Graeme Dobell, "The Indo-Pacific? The Quad? Please explain ...", in *The Strategist*, 9 April 2018, <https://www.aspirategist.org.au/indo-pacific-quad-please-explain>.

⁴ The strategy was adopted on 19 September 2018, and endorsed by the Foreign Affairs Council on 15 October 2018. See European Parliament, *Legislative Train Schedule: Connecting Europe and Asia*, as of 20 October 2019, <http://www.europarl.europa.eu/legislative-train/theme-europe-as-a-stronger-global-actor/file-connecting-europe-and-asia/10-2019>. "With sustainable, comprehensive and rules-based connectivity at its core, the Communication will help to guide the EU's external action in this field and is a part of the implementation of its

Global Strategy." See European Commission, *EU Steps Up Its Strategy for Connecting Europe and Asia*, 19 September 2018, https://ec.europa.eu/commission/presscorner/detail/en/IP_18_5803.

⁵ Adopted on 20 November 2018, and endorsed by the Foreign Affairs Council on 10 December 2018. See European Parliament, *Legislative Train Schedule: New EU Strategy on India*, as of 20 October 2019, <http://www.europarl.europa.eu/legislative-train/theme-europe-as-a-stronger-global-actor/file-new-eu-strategy-on-india/10-2019>.

⁶ Statement by EEAS Deputy Secretary General Christian Leffler at a conference in Delhi on 7 November 2019. On the conference, see:

partnership between these two major actors may be instrumental in crafting a new global order based on the rule of law and multilateralism, values on which the EU-India strategic partnership is based, but which are coming under increased international strain as of late.

The ongoing review of the 15-year-old EU-India strategic partnership is a crucial opportunity to identify new objectives and raise the bar of cooperation. The EU and India should look at the bigger picture and ponder what is really at stake: a global balance based on multilateralism and rule of law. The alternative may well be a Chinese model, which is indeed proving attractive, both inside as well outside the EU.⁷

14 November 2019

Aditya Srinivasan and Nidhi Varma, "The European Union and India: Strategic Partners on Multilateralism and Global Governance", in *Brookings Event Reports*, No. 10/2019 (November 2019), <https://brook.gs/34VS0Ww>.

⁷ Stefania Benaglia, "EU-India: A Renewed Strategic Partnership or Business As Usual?", in *CEPS In Brief*, 8 November 2019, <https://www.ceps.eu/?p=25362>.

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