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DPG INDIA STRATEGIC REVIEW

The DPG India Strategic Review (ISR) is a monthly survey of key developments, trends and policies pertaining to India’s immediate and continental neighbourhood. It is compiled by a research team which is led by Sanjay Pulipaka, Senior Fellow, and includes Research Associates Mohit Musaddi, Sanket Joshi, Shreyas Deshmukh and Anushka Nair. The ISR is based on open source official statements, reports and publications. Your comments and feedback may be addressed to Mohit Musaddi at mohit@dpg.org.in. To subscribe, please click here.

Cover Image:
World map

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I. Overview: Geopolitical Shifts and Continuities

Sanjay Pulipaka and Mohit Musaddi

The hasty and chaotic US withdrawal from Afghanistan is a significant geopolitical development which will alter the balance of power in Central, West and South Asia. While the US will no doubt continue to be a leading and consequential great power, many of its partner democracies may need to re-evaluate their foreign policy options and priorities in an era of diminished expectations from the US.

For India, the balance of power in the region has tilted to its considerable disadvantage. However, in the larger Indo-Pacific region, countries that have territorial disputes with China or serious apprehensions about its coercive economic policies may not opt to bandwagon with Beijing. These tectonic developments also point to the importance of coordination among Asian powers and serve as a reminder that unlike the US, they do not have the option to withdraw even as they face serious geopolitical threats. Furthermore, developments in Afghanistan – a landlocked continental Asian country – have wider implications across the Indo-Pacific region, indicating that the balance of power in the continental and maritime domains are interlinked.

US and China

The US retreat from Afghanistan has fundamentally altered the geopolitical landscape in India’s immediate neighbourhood. Moreover, the Taliban’s takeover of Afghanistan has generated concerns that Islamist religious extremism will spill over into Central and South Asia.

The nature of the US withdrawal has understandably generated considerable disappointment among large sections of India’s strategic community. India’s External Affairs Minister Dr. Jaishankar and the US Secretary of State Antony Blinken discussed a broad range of issues over telephone conversations at least three times this month (August 16, 19 and 28) and agreed to continue their close “coordination on Afghanistan”.¹ For India, the most immediate concern after the fall of Kabul has been the evacuation of its citizens. India was reportedly working closely with the United States, which had control of the Kabul airport, during the airlift of Indian Embassy officials and citizens from Afghanistan.²

Overall, the messy withdrawal has created new challenges for Washington, particularly as US allies have “revised their assessments of Washington’s strategic wisdom”, and adversaries such as China will be more willing to confront the US.³
China is already building the narrative that the US withdrawal from Afghanistan amplifies the shift in global power relations in Beijing’s favour. On August 20, the Chinese foreign office spokesperson noted that the US failure in Afghanistan demonstrates the limitations of democracy based on “one person one vote”.4 The spokesperson also pointed out that “China’s socialist democracy is most broad-based”.5 China is making persistent efforts to showcase the Afghan developments not only as a failure of the US strategy but also as a consequence of the inherent limitations of western democracies. Such arguments, however, indicate Chinese leaders’ apprehensions that their political system continues to be vulnerable to rigorous evaluation.

There are concerns in China that Afghanistan requires quick stabilisation. During a telephone conversation with US Secretary of State Antony Blinken, Chinese Foreign Minister Wang Yi called on the US to provide “Afghanistan with urgently-needed economic, livelihood and humanitarian assistance”.6 Although China is yet to recognise the Taliban regime, Beijing has been gradually scaling up its engagement with the Taliban. China’s clearest message in numerous statements is for the Taliban to “make a clean break” from its ties with the East Turkestan Islamic Movement.7

China has made sizeable economic investments in Pakistan as well as in Central Asia, and Beijing’s economic engagement with Iran is also on the upswing. China, therefore, may have significant diplomatic leverage to push for a favourable outcome with respect to Afghanistan.

Neighbourhood

In India’s immediate neighbourhood, China has consolidated its presence in Myanmar and has made further inroads into Sri Lanka and Nepal. On August 25, China opened its first “road-rail transport link to the Indian Ocean” through Myanmar.8 The route links the Yangon Port to Yunnan province in China and then via rail to Chengdu.9 China’s special envoy for Asian Affairs, Sun Guoxiang, visited Myanmar from August 21 to 28 and met with the top leaders of the military junta, including General Min Aung Hlaing.10 Further, China seems to be altering the demographic profile on its border with the Indian subcontinent. There have been reports that “the population living along the border areas of the Tibet Autonomous Region (TAR), parts of which are disputed with India and Bhutan, has increased by over 10 per cent.”11

India’s multi-faceted cooperation in the neighbourhood picked up momentum during the month. India supplied a medical oxygen plant to Nepal on August 26,12 India and Nepal held the 9th round of the Oversight Mechanism Meeting (OSM) during the month and reviewed bilateral projects.13 Nepal may
also soon export electricity to India after the Nepal Electricity Authority (NEA) participated in a bid to export 40 MW of electricity to the Government of Punjab. On August 4, the Deputy National Security Advisors (NSAs) of India, Sri Lanka and the Maldives convened virtually and agreed to work on four pillars of security cooperation, including marine security, human trafficking, counter-terrorism, and cyber security. On August 26, India and the Maldives signed an agreement with Mumbai-based AFCONS for the construction of the USD 500-million Greater Male Connectivity Project (GMCP). With Bhutan, India has been cooperating in outer space research and will also partner with the country to construct the first law school in that country.

For the first time since 1965, India and Bangladesh resumed operations of freight trains through the Haldibari-Chilahati route on August 1. This is the fifth rail link that has been made operational between them. The two countries have also signed an agreement for hiring high-speed internet bandwidth from the Bangladesh Submarine Cable Company Limited (BSCCL) for India’s northeast region. Besides, India has supplied 71 ambulances to Bangladesh and sent two 960 LPM medical oxygen plants to assist in Bangladesh’s fight against COVID-19.

Bangladesh’s economy has been gradually recovering from the effects of COVID-19. Global ratings agency S&P has said that “the stable outlook [of the economy] reflects our expectation that the country’s healthy growth prospects will overcome risks associated with the COVID-19 pandemic.” During the month, Dhaka provided Colombo with USD 150 million under a currency swap agreement. This comes at a time when Sri Lanka has declared a financial emergency to check “soaring inflation after a steep devaluation of its currency due to a foreign exchange crisis.”

**Afghanistan-Pakistan**

Afghanistan now has a new regime headed by the Taliban. A formal announcement of the formation of a new government will be reportedly made in the coming days, and supreme leader Haibatullah Akhundzada is expected to be the de-facto head. While neighbouring countries like Russia, China and Iran seem to be favourably inclined towards the Taliban, formal international recognition is yet to be accorded. There are still pockets of resistance led by Ahmad Massoud and Amrullah Saleh based out of the Panjshir valley, but unlike in the 1990s, the regional geopolitical situation is unfavourable to the ‘National Resistance Front of Afghanistan’. It is yet to receive any support from relevant international actors and doubts remain on how long they can hold off the Taliban.
Meanwhile, the Taliban is making efforts to demonstrate that they are a reformed political force. Nevertheless, reports from provinces indicate that many elements within the Taliban continue to enforce extremist social norms on the Afghan population.

At the request of the Taliban, the Indian Ambassador to Qatar met Sher Mohammad Abbas Stanikzai, the Head of Taliban’s Political Office in Doha, on August 31. Stanikzai explored the possibility of diplomatic relations and enhanced economic ties with India, while the Ambassador raised Delhi’s “concern that Afghanistan’s soil should not be used for anti-Indian activities and terrorism”. After the meeting, Stanikzai said that “our business is linked with India through Pakistan, and we want to keep that connectivity open”.

India’s presence as a non-permanent member as well as its rotating presidency of the UNSC has been a source of discomfiture for Pakistan. On August 6, Pakistan complained that India had denied Islamabad “an opportunity to address the council [on Afghanistan] as a neighbouring country”. The Taliban’s takeover of Afghanistan was welcomed in Pakistan. Prime Minister Imran Khan termed the emergence of a new regime in Kabul as akin to breaking “the chains of slavery in the country”. Indeed, with the Taliban now in control of Afghanistan, there is an opinion that Pakistan will make an attempt to create trouble for India in Jammu and Kashmir. On August 30, India’s defence minister stated that Delhi is closely monitoring the situation in Afghanistan to ensure that “anti-India forces do not promote terrorism from across the border by taking advantage of the situation being created there”. Pakistan has also finalised a draft legislation to incorporate Gilgit-Baltistan as a province of the country.

Russia

Afghanistan was a dominant theme in India-Russia relations as well. While Delhi has been in regular bilateral consultations with various countries including Russia, Moscow reportedly did not extend an invitation to India for an extended Troika meeting on Afghanistan held on August 11. However, it should be noted that India’s Deputy NSA visited Moscow on August 19-20 to interact with the senior leadership, including Deputy Foreign Minister Igor Morgulov. Both sides “agreed to step up coordination amid the unfolding situation in Afghanistan”.

On the other hand, Russia’s strategic convergence with China was evident in their responses to developments in Afghanistan. Both Russia and China abstained from the United Nations Security Council (UNSC) resolution that called for safe passage to Afghans wishing to leave their country.
Moscow and Beijing are scaling up their engagement with the Taliban, there is a concern in Delhi regarding the Taliban’s support to terrorist activities, which has been reflected in the UNSC resolution. Further, during the month, Beijing and Moscow held a joint military exercise involving over 10,000 service personnel.35

India-Russia defence cooperation maintained its momentum through the month. There were reports that India will purchase 70,000 assault rifles from Russian manufacturers, and over 6 lakh rifles will be co-produced in India.

West Asia

India’s defence ties and economic cooperation with the Gulf countries has made rapid advances in recent months. In the economic realm, India is reportedly working to fast-track a free trade agreement (FTA) with the UAE. India’s agricultural and seafood exports to the Gulf countries have registered an increase, and the FTA may facilitate increased FDI from the Gulf countries to India.36 In August, India conducted naval exercises with Saudi Arabia, the UAE, Qatar and a PASSEX with Bahrain.

The Indian Chief of Air Staff visited Israel on August 6.37 India is reportedly exploring the possibility of upgrading its military drones with Israeli assistance.38 India-Israel relations have moved forward in other areas as well. On August 16, Indian Prime Minister Narendra Modi held a telephone conversation with his counterpart Naftali Bennett.39 Both leaders called for an expansion of cooperation in the areas of high-technology and innovation.40

Simultaneously, India has been making efforts to scale up relations with Iran. EAM Dr. S. Jaishankar visited Tehran last month and represented India at the inauguration of President-elect Ebrahim Raisi on August 5.41 While Afghanistan figured prominently in the discussion between Dr. Jaishankar and Mr. Raisi, the new Iranian president also said that both countries “should take new and distinct steps in the development of bilateral, regional and international relations with a new perspective.”42

Last month, the new Turkish Ambassador to India had called for a reset in Delhi-Ankara relations.43 Meanwhile, Turkish Aerospace Industries (TAI) has signed a contract with Pakistan’s National Engineering and Science Commission (NESCOM) to scale up cooperation on long-endurance combat drones.44

Overall, India relations with the Gulf countries and Israel are scaling new heights. India has made persistent efforts to develop convergences with Iran
on connectivity and Afghanistan. However, Turkey’s embrace of Pakistan will continue to be a hindrance to Delhi’s relations with Ankara.

**Multilateral Pursuits**

India assumed the rotating UNSC presidency during August and used the opportunity to demonstrate the security inter-linkages between continental and maritime domains. On August 9, PM Narendra Modi became the first Indian Prime Minister to chair a [high-level open debate](#) at the UNSC on ‘Enhancing Maritime Security – A Case for International Cooperation’. During the debate, the Prime Minister enunciated [five principles](#) to promote maritime security, which included “free maritime trade sans barriers, peaceful settlement of maritime disputes, encouraging maritime connectivity, collectively combat maritime threats posed by non-state actors, preserve maritime environment and resources”.

On the continental domain, India shepherded UNSC conversations on Afghanistan through three sessions and as many press statements on August 3, 16 and 27. On August 30, under India’s presidency, a [UNSC resolution](#) was passed calling on the “Taliban to facilitate safe passage for people wanting to leave Afghanistan,” and urging that “Afghanistan not be used as a shelter for terrorism.”

EAM Dr. S. Jaishankar [chaired two meetings](#) on peacekeeping and technology on August 18 and a briefing on ISIL/Da’esh on August 19. Addressing the UNSC on threats to international peace and security, he called for firm action on countries that seek to subvert the international community’s “collective resolve to fight terrorism.” He also stressed the need to summon the political will, eschew double standards and to recognise the linkages between terrorism and organised crime.

At the UNSC meeting on the Middle East Peace Process held on August 30, Indian Foreign Secretary Harsh Vardhan Shringla reiterated India’s commitment to the establishment of an independent [state of Palestine](#) and referred to India’s assistance in “building schools, setting up ICT and vocational training centres, and several other quick-impact community projects in Palestine”.

Senior officials from the Quad (India, US, Japan and Australia) met virtually on August 12 and reviewed progress in areas such as “the Quad vaccine partnership, critical and emerging technologies, and climate change”. They also discussed ways to “take forward cooperation in areas such as infrastructure, maritime security and humanitarian aid”. On August 24, the [Ambassadors of the Quad](#) countries to the United States met the US Indo-
Pacific Coordinator Kurt Campbell to discuss preparations for the next Quad leaders’ meeting.¹⁴

While geopolitical developments such as the Afghan crisis have dominated attention, India’s foreign policy has also focused on improving India’s external economic engagements. In his address to Heads of Indian Missions abroad, the Indian Prime Minister stressed the importance of multiplying India’s share in global supply chains in exports.⁵⁵ The Prime Minister called on India’s diplomatic community to accelerate India’s existing “exports and also work to create new market destinations for new products”.⁵⁶
II. India and the Neighbourhood: Multi-sectoral Cooperation

Mohit Musaddi

Bangladesh

On August 9, the Bangladesh State Minister for Power, Energy and Mineral Resources announced that Bangladesh had discovered its 28th gas field in Sylhet’s Zakiganj. It contains probable gas reserves of approximately 68 billion cubic feet which can be extracted in the next 12-13 years at 10 million cubic feet per day (MMcf/d). Currently, Bangladesh produces 2,300 MMcf/d of gas against a national demand of 3,500 MMcf/d. 

Bangladesh’s industrial city Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) has received proposals from 153 investors worth USD20.13 billion. Among those that will set up factories in the industrial park include Indian Asian Paints BD Limited, China based Zhuzhou Jinyuan Chemical Industry Company Limited, and a joint venture between Japan based Nippon Steel and Bangladesh MacDonald Steel Building Product Limited.

The Bangladesh-China Renewable Energy Company (BCREC) has issued an international tender for the engineering, procurement and construction of a 68 MW solar park in Bangladesh’s Sirajganj district. The project is “part of co-operation between Dhaka and Beijing to install 450 MW of solar capacity and a 50 MW wind farm in Bangladesh. China is expected to invest around USD500 million in the projects”. Dhaka has also sought partnership with the US private sector for “research and development of uninterrupted and affordable renewable energy sources”.

Dhaka reportedly turned down a request from the US government to provide temporary shelter to Afghans amidst the political developments in Afghanistan. Foreign Minister Abdul Momen said that Bangladesh is already sheltering Rohingya refugees from Myanmar and, therefore, is unable to accept more people.

India and Bangladesh resumed operations of freight trains through the Haldibari-Chilahati route from August 1. The rail link was inaugurated by Indian Prime Minister Narendra Modi and Bangladesh PM Sheikh Hasina during the December 2020 virtual summit, making it the fifth operational rail link between the two countries. It is expected that around 20 freight trains will

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1 In the neighbourhood, this chapter will deal with developments in Bangladesh, Bhutan, Nepal, the Maldives, Myanmar and Sri Lanka.
be interchanged through the route every month. India and Bangladesh have also resumed flight operations from August 22 under an air bubble agreement. Travel was disrupted in April 2021 due to the outbreak of the second wave of COVID-19.

Land border connectivity also continues to remain vital in India-Bangladesh trade as at least 75 per cent of total trade takes place via land. On August 8, the Agartala Integrated Check Post (ICP) facilitated its largest-ever export consignment to Bangladesh, consisting of 1,320 MT wheat, valued at USD378,000.

Another key development has been the signing of an agreement between the Universal Service Obligation Fund (USOF) and Bharat Sanchar Nigam Limited (BSNL) for hiring high-speed bandwidth for internet connectivity to India’s north-east region from the Bangladesh Submarine Cable Company Limited (BSCCL).

During the month, India supplied 71 ambulances to Bangladesh out of the 109 that were pledged by PM Modi during his visit to Dhaka in March 2021. On August 30, INS Savitri departed from Vishakapatnam to Chittagong with two 960 LPM Medical Oxygen Plants (MOP). India also handed over essential medical equipment to assist in Bangladesh’s fight against the COVID-19 pandemic. On August 16, Dhaka also signed an MoU with China’s Sinopharm Group to locally manufacture the Sinopharm COVID-19 vaccine.
Nepal

Nepal received 1.6 million shots of the AstraZeneca [vaccine from Japan on August 7.73 Given Bhutan’s rapid progress in its vaccination programme, [Thimphu also sent 230,000 doses] of the Covishield vaccine to Nepal on August 6.74 On August 26, India handed over a [medical oxygen plant to Nepal] that has the capacity to produce 960 litres of oxygen per minute.75 The plant has been developed by India’s Defence Research and Development Organisation (DRDO) and will help hospitals reduce their dependence on oxygen cylinders.

India and Nepal held the 9th meeting of the Oversight Mechanism (OSM) in Kathmandu on August 6 to carry out a “comprehensive review of bilateral co-operation projects” and ensure its early implementation.76 Both sides noted India’s COVID-19 related assistance to Nepal, including “supply of medicines, medical equipment, beds, ICU, ventilators, and vaccines”.77

![The Foreign Secretary of Nepal and the Ambassador of India to Nepal co-chaired the 9th meeting of the India-Nepal OSM in Kathmandu, August 16, 2021. Source: Twitter/@MofaNepal](image)

In the first ever effort by Nepal to export electricity, the Nepal Electricity Authority (NEA) participated in a bid to export 40 MW of electricity to Punjab through the cross-border transmission line in May 2021.78 Subsequently, the
NEA was chosen as a potential supplier and is expected to receive a letter of intent soon from the Punjab government.

During the month, the new building of the Jyapu Samaj Jestha Nagarik Ananda Niketan Bhawan, which has been built with Indian assistance in Lalitpur, was inaugurated by Prime Minister Sher Bahadur Deuba in the presence of the Indian Ambassador.79

Sri Lanka

India sent 100 tonnes of Liquid Medical Oxygen (LMO) to Sri Lanka via INS Shakti on August 21.80 Moreover, Sri Lankan naval vessel Shakti also carried 40 tons of LMO from Chennai to Colombo on August 21.81 India has shipped LMO to Bangladesh and Indonesia in the past to assist in their fight against COVID-19.

Amidst Sri Lanka’s faltering economy, the central bank has raised interest rates for the first time in three years.82 As a result, the Sri Lankan rupee traded at 216.55 to the dollar, its lowest ever level.83 Sri Lankans have already been facing shortages of imported cooking gas and sugar as the government has had to cut down on imports to maintain foreign exchange reserves. Subsequently, on August 31, Sri Lanka declared a financial emergency due to the steep fall in the value of its currency.84 The government will now “take control of the supply of basic food items, including rice and sugar, and set prices in an attempt to control rising inflation”.85 So far, Sri Lanka has received USD787 million from the International Monetary Fund’s special drawing rights allocation and USD150 million from Bangladesh central bank as currency swap arrangement.86

Amid the Taliban’s takeover of Afghanistan, the Foreign Ministry of Sri Lanka requested India’s support to evacuate Sri Lankans living in Afghanistan.87 India has already brought back more than 800 people from Afghanistan, including Indians, Afghans and Nepalese.88

At a deputy-NSA level meeting held virtually on August 4, India, Sri Lanka and the Maldives agreed to work on four pillars of security co-operation, covering areas of marine security, human trafficking, counter-terrorism, and cyber security.89 It was also decided that Bangladesh, Mauritius and Seychelles will become full members of the Colombo Security Conclave, which is currently a grouping of India, Sri Lanka and the Maldives that focuses on maritime security, counter-terrorism and disaster relief.90
INS Shakti arrived in Colombo carrying 100 tons of Liquid Medical Oxygen on August 22, 2021. Source: Twitter/@IndiainSL

**Myanmar**

On August 1, six months after seizing power, the Myanmar military (Tatmadaw) leader General Min Aung Hlaing extended a state of emergency in the country for **two more years**. Moreover, the State Administrative Council (SAC) – the military junta governing Myanmar – named itself the caretaker government with General Hlaing as the prime minister. More than **1,000 people** have reportedly been killed by the Tatmadaw since the coup. There are also reports that the Tatmadaw may be targeting members of the deposed Aung Sang Suu Kyi-led National League for Democracy (NLD) in order to “**disband the party** and secure its tenuous hold on power”. There was reportedly an **assassination attempt** on the Myanmar Ambassador to the UN Kyaw Moe Tun, who is an appointee of the NLD and is yet to vacate his post despite Tatmadaw’s orders. Two Myanmar citizens have been arrested in New York in relation to the attempt.
On August 4, Brunei’s second foreign minister Erywan Yusof was appointed as ASEAN’s special envoy to Myanmar. Erywan is expected to draw up a timeline on his mission to end the violence and meet with all political parties involved. ASEAN leaders had arrived at a 5-point consensus in April 2021 that included the selection of a special envoy. The UN has welcomed the move. The UN also has a special envoy for Myanmar, Christine Schraner Burgener, but the junta has not allowed her to visit the country yet. However, Burgener has said that she has had positive conversations with members of the ethnic armed organisations (EAOs) and the National Unity Government (NUG) on the need for starting an inclusive dialogue with the military. Indian External Affairs Minister Dr. S. Jaishankar held a telephone conversation with the Brunei Foreign Minister Hassanal Bolkiah on August 14 to “exchange perspectives on the situation in Myanmar”. Since the coup in Myanmar, official figures released by the Indian Ministry of Defence show that 8,486 Myanmar nationals attempted to cross over to India, of whom 5,796 were pushed back while 2,690 are still in India. Unofficial estimates remain much higher.

Meanwhile, the Tatmadaw has been receiving limited international recognition. ASEAN member-state Cambodia acknowledged General Min Aung Hlaing as the “head of state” in Myanmar in an open letter sent to the junta chief” on cooperation regarding Myanmar’s ongoing wave of COVID-19. This raises question about ASEAN unity as some countries are yet to formally recognise the military rule. Cambodia is scheduled to take over from Brunei as Chair of ASEAN in 2022. China-Myanmar co-operation has also continued apace with the junta recently inviting bids to provide legal services to the Kyauk Phyu Special Economic Zone and deep-sea port project. On August 25, China also opened a new rail line “with access to the Indian Ocean via Myanmar” that stretches from Chengdu to Lincang, a prefecture-level city which is opposite a “border trade town in Myanmar’s north-eastern Shan State.”

On August 10, the US State Department announced USD50 million in humanitarian aid to Myanmar in order to provide “emergency food assistance, live-saving protection... and essential healthcare” to the citizens. The country is still reeling under a wave of the coronavirus with approximately 3,000 daily new cases. Just over 3 per cent of its population is fully vaccinated with the junta government unable to procure more vaccine doses.

The Maldives

On August 26, the Government of Maldives officially signed an agreement with Mumbai-based company AFCONS for the construction of the USD500 million Greater Male Connectivity Project (GMCP). This is the largest-ever DPG India Strategic Review | Vol II, Issue 8 | 13
infrastructure project in the Maldives and will involve “the construction of a 6.74-km long bridge and causeway link” from Male to Thilafushi.\textsuperscript{107} It will be funded by the EXIM bank of India under an Indian grant and Line of Credit (LOC). During the month, Air India resumed flight operations to the Maldives which was suspended since May due to COVID-19.\textsuperscript{108}

An "India Out" campaign, which calls “for the removal of Indian military” from the Maldives has become increasingly visible over the past few months.\textsuperscript{109} Although India does not have a military base in the country, the two countries signed an agreement in February this year that allowed India to “develop, support and maintain” a harbour at Uthuru Thila Falhu.\textsuperscript{110} The Indian High Commission has sought more government action and enhanced security for the “recurring articles and social media posts attacking the dignity of the High Commission”.\textsuperscript{111} On its part, the ruling party of the Maldives has condemned the “India Out” campaign for “engaging in a continuous barrage of anti-India vitriol and whipping up hatred against the Maldives’ closest ally”.\textsuperscript{112} On August 15, at an event held by the High Commission of India to commemorate the country’s 75th Independence Day, Vice President of the Maldives Faisal Nadeem said that the country is “very fortunate to have India as a neighbour and closest bilateral partner”.\textsuperscript{113} It is believed that the campaign is driven by a domestic agenda in view of the upcoming presidential elections in 2023.\textsuperscript{114}

**Bhutan**

There has been a 10 per cent increase in the "population living along the border areas of the Tibet Autonomous Region (TAR), parts of which are disputed [by China] with India and Bhutan".\textsuperscript{115} This has led to an increase in Tibet’s permanent resident population by 645,900 (21.5 per cent).\textsuperscript{116} Moreover, 21 border counties in the TAR have been placed under direct supervision of the Chinese central government departments.\textsuperscript{117}

Delhi and Thimphu have been co-operating in outer space research. The Indian Space Research Organisation (ISRO) will launch the Bhutanese satellite INS–2B in December 2021. The satellite has been developed by four Bhutanese engineers trained by ISRO.\textsuperscript{118} India will also partner with Bhutan on the first law school in the country. The Jigme Singye Wangchuk School of Law will have a state-of-the-art campus in the Paro valley.\textsuperscript{119}

After providing vaccines to Nepal, Bhutan has loaned 150,000 doses of the AstraZeneca vaccine to Thailand, which has been experiencing a shortage.\textsuperscript{120} Bhutan has vaccinated more than 97 per cent of its eligible population and is also considering a booster dose for its most vulnerable.\textsuperscript{121}
Bhutan has been named one of only three countries in the world, apart from Panama and Suriname, to be carbon negative, implying “they absorb more greenhouse gases than they emit from human activities.” Bhutan and the United Nations Development Programme (UNDP) have signed a project funded by the Global Environmental Facility (GEP) that “seeks to mainstream biodiversity conservation into tourism development”. It is a five-year project that will cover the Bumdeling Wildlife Sanctuary and the Sakteng Wildlife Sanctuary in eastern Bhutan and is expected to generate “sustainable conservation financing and livelihoods for people within and outside protected areas.”

The 720-MW Mangdechhu Hydroelectric Project Authority run-of-river project between India and Bhutan was awarded the Brunel medal from the Institute of Civil Engineers based in the UK. This award validates India’s contention that connectivity and energy projects can be inclusive and meet environmental standards, unlike other mega connectivity projects being implemented by China in the subcontinent.

*The under-construction law school in Paro, Bhutan. Source: Twitter/@DDIndialive*
III. The Fall of Kabul and Regional Dynamics

Shreyas Deshmukh

Kabul astonishingly fell on August 15 as the Taliban rapidly took control of provinces across Afghanistan. The resulting uncertainty has led to a rise in political, diplomatic, and military activities in the region. The primary focus of countries was to evacuate their diplomatic staff and citizens, strengthen borders and establish contact with the Taliban to secure national interests. This paper will briefly discuss the fall of Kabul, Pakistan’s role and the reaction of regional players, including India.

Fall of Kabul

The offensive mounted by the Taliban in Afghanistan, which had intensified over the last few months, captured a majority of the border posts and highways by the first week of August. On August 6, it took over the first provincial capital, the city of Zaraj in Nimroz province. From there on, other provincial capitals fell quickly, including Kabul which was captured on August 15. This was contrary to the US estimation that Kabul would fall within 90 days, giving time to western coalition partners and other regional countries to devise their strategies and evacuate citizens. However, the lack of a strong leadership, unreliable logistical supplies, weak command and control, corruption, and the coercive tactics deployed by the Taliban meant that there was no resistance from the Afghan Security Forces.

President Ashraf Ghani departed immediately as the Taliban fighters began to enter Kabul. Two days later, he appeared in the UAE, where he is currently taking refuge. On the same day, the Taliban captured the presidential palace and, on August 19, they declared the creation of an ‘Islamic Emirate of Afghanistan’. Earlier, on August 17, they had announced amnesty for all government employees, the Afghans who served western coalition partners and soldiers of the Afghan National Army. In some areas, there have been reports of revenge attacks by the Taliban against Afghans who had worked for the West. On August 19, protesters came on to the streets in different parts of the country against the Taliban takeover.

Subsequently, the senior political leadership of the Taliban, including Mullah Baradar (Vice Emir), Anas Haqqani, son of the founder of the notorious Haqqani Group Jalaluddin Haqqani, and his brother, Khalil Haqqani, reached Kabul to decide the future government structure. The leader of the Taliban, Mullah Haibatullah Akhundzada, is expected to be the de-facto head of the government.
Former Vice President Amrullah Saleh and Ahamd Massoud, son of former Northern Alliance Leader Ahmad Shah Masoud, raised a 'National Resistance Front (NRF)' against the Taliban from the Panjshir Valley, which is a stronghold of the Tajik community and is yet to come under Taliban rule.\textsuperscript{139} The ability of NRF to put in a strong resistance will be contingent on the safety of supply lines and the support it receives from neighbouring countries such as Tajikistan.

Other senior Afghan leaders such as former president Hamid Karzai and former head of High Council for National Reconciliation Abdullah Abdullah have been consulting other tribal leaders and playing the role of mediator between the NRF and the Taliban. The Taliban spokesperson Zabihullah Mujahid has made it clear that the new government will be based on the Taliban's interpretation of the Sharia law.\textsuperscript{140}

Uncertainty and chaos continues to persist all over the country, as thousands of people have converged at Kabul airport in an attempt to leave the country.\textsuperscript{141} The first major attack after the fall of Kabul was carried out in front of the airport by the Islamic State Khorasan Province (ISKP), in which more than 170 people, including 13 US soldiers, were killed.\textsuperscript{142} Most of the countries have closed their embassies and had evacuated their nationals by August 31, which was the
deadline for the withdrawal of the Western coalition troops. However, the missions of Pakistan, China, and Russia are still operational.

Regional Dynamics

During the visit of the Pakistan Foreign Minister to Dushanbe on August 25, Tajik President Emomoli Rahmon said that his country would not recognise the Taliban government until the ethnic Tajik minority were accorded a worthy role in running the country. Meanwhile, Russia has provided USD 1.1 million to Tajikistan for the construction of new military outpost on the Tajikistan-Afghanistan border. On August 24, Russia deployed its new anti-tank missile system ‘Kornet’ in its military base in Tajikistan.

Uzbekistan has begun cross-border trade with Afghanistan. However, the Uzbek authorities have announced that any attempts to violate their border will be strictly suppressed. Turkmenistan, which has taken a more cautious stand, beefed up security in the border areas, while being in touch with the Taliban.

The Russian and Chinese authorities have officially reached out to the Taliban. However, they are yet to recognise the Taliban regime. Iran is closely watching the developments, including the security situation of the Hazara Shia minorities in Afghanistan.

Pakistan’s Role

US-Pakistan relations have always been critical for the stability in Afghanistan. Pakistan National Security Advisor Moeed Yusuf and DG ISI Faiz Hameed visited Washington DC from July 28 to August 6 for talks that focused on a negotiated political settlement in Afghanistan. Although the US accepted the fact that “Pakistan has a vital role to play in using its influence with the Taliban”, the statements by Moeed Yusuf after his meeting with US officials indicated that there is nothing tangible which they wanted to achieve. On August 3, in an interview, Moeed Yusuf said, “The president of the United States hasn’t spoken to the prime minister of such an important country [Pakistan] who the US itself says is make-or-break in some cases, in some ways, in Afghanistan – we struggle to understand the signal, right?”

After the takeover of Kabul by the Taliban, an Afghan delegation, comprising former senior leaders, visited Islamabad where they held talks with Pakistan Foreign Minister Shah Mahmood Qureshi on August 16. Pakistan’s Ambassador to Afghanistan held a consultative meeting with Hamid Karzai and other leaders on August 19. On the same day, Pakistan Shah Mehmood
Qureshi said “all attempts to alienate and scapegoat Pakistan for the Afghan situation have been defeated and now the world was contacting Pakistan”. Minister Qureshi also visited Afghanistan’s neighbouring countries Tajikistan, Uzbekistan, Turkmenistan, and Iran from August 24-26 to share Pakistan’s perspective on the latest developments. Prime Minister Imran Khan said Pakistan would influence the Taliban by holding direct talks with Turkey to secure the Kabul International Airport after the US withdrawal.

The chain of events that took place in August has shredded the narrative that was built over the last decade that Pakistan is the victim in the Afghan conflict, being the “partner” of the West in its “war on terror”, and that the country has little to no involvement in how the Taliban functions.

![Image](image_url)

Pakistan Foreign Minister Shah Mahmood Qureshi welcomes the Afghan delegation at the Foreign Office in Islamabad, August 16, 2021. Source: Dawn

**Afghanistan and India**

After weeks of speculation, India and the Taliban held their first-ever official bilateral meeting in Doha on August 31. India’s Ambassador to Doha Deepak Mittal discussed issues related to the safety and security of stranded Indian nationals and minorities in Afghanistan with Sher Mohammad Abbas Stanekzai, the head of the Taliban’s political office in Doha. He also raised concern over Afghan soil being used for anti-Indian and terrorist activities during the meeting.
On August 26, Indian Foreign Secretary (FS) Harsh Vardhan Shringla briefed an all-party meeting called by the Government of India to discuss developments in Afghanistan. Secretary Shringla said India has taken a “wait and watch” approach, as it is not clear whether it will exclusively be a Taliban government or an inclusive government with other ethnic leaders.\(^{162}\) FS Shringla also said that India is in constant touch with its key partners such as the US, the UK, Russia, China and Qatar among others. By the end of the month, India has evacuated 800 people, including the nationals from other countries.\(^{163}\) India’s overseas airbase jointly operated with Tajikistan near Dushanbe ‘Gissar Military Aerodrome’ was used for the evacuation operation.\(^{164}\) Delhi’s immediate interest will remain in securing its North-South connectivity projects, ensuring that Afghanistan does not become a centre for anti-Indian activities and finding a way to deal with the new administration in Kabul. As a non-permanent member of the UNSC, India is currently chairing the crucial Taliban and Libya sanctions committee and the counter-terrorism committee. India’s presence in the UNSC will enable New Delhi to keep a tab on the Taliban and work to reduce uncertainty in Afghanistan and the region.\(^{165}\)
**Defence Updates**

- According to the chief of Russia’s General Staff Valery Gerasimov, Moscow has increased supplies of military equipment to the Central Asian countries to provide a proper response to the worsening situation in the region. Extra military equipment and hardware supplies have been arranged within the framework of military-technical assistance.166

- China has launched its third Type-054 Class Frigate ship constructed for the Pakistani Navy, on August 3. Type-054 Frigates is a technologically advanced surface platform of the Pakistan Navy fleet and is fitted with latest surface, subsurface and anti-air weapon systems. In 2017, Pakistan signed an initial contract for the delivery of two Type 054 A/P frigates. An additional contract for two more ships was signed in 2018.167

- The first MILGEM-class corvette ship, named PNS Babur, for the Pakistani Navy was launched from a shipyard in Istanbul on August 16. PNS Babur is slated for delivery in 2023. Pakistan had signed a USD1.5 billion deal with Turkey in 2018 for the acquisition of four Ada class ships with Turkish state-owned defence firm ASFAT. Under the contract that included technology transfer, two ships were to be constructed at Istanbul Naval Shipyard and the other two at Karachi Shipyard. The deliveries of all corvettes will be completed by 2025.168

- Pakistan conducted a successful test flight of its indigenously developed Fatah-1 (Guided Multi Launch Rocket System) on August 24. The weapon system is capable of delivering a conventional warhead.169

- On August 12, Pakistan successfully test-fired a nuclear-capable short range surface-to-surface ballistic missile which can strike targets up to 290 kilometres. The successful trial launch of ballistic missile Ghaznavi was aimed at ensuring the operational readiness of the Army Strategic Forces Command, besides revalidating the technical parameters of the weapon system.170

- Russia completed joint military exercises with troops from Tajikistan and Uzbekistan on August 10. The war games involved around 2,500 Russian, Tajik, and Uzbek troops at a training ground in Tajikistan about 20 kilometres from the Afghan border. The drills also involved tanks, armoured personnel carriers, Su-25 attack jets, helicopters, and other weaponry in a simulated joint response to cross-border militant attacks.171
IV. Russia’s Engagement of Major Powers

*Anushka Nair*

Russia hosted its annual International Military-Technical Forum (IMTF) Army 2021 from August 22-28. Simultaneously, Russia is also organizing the VII International Army Games from August 22 to September 4. At the joint opening ceremony, President Putin noted that experts from nearly 100 countries would participate in various sessions displaying Russia’s technical advancements in the defence industry.¹⁷²

Moscow’s representatives held a number of meetings on the sidelines of the Army 2021 Forum. Deputy Defence Minister Colonel General Alexander Fomin met bilaterally with some of his South Asian counterparts from India, Myanmar and Bangladesh. The discussions between Russia’s Deputy Defence Minister and the Indian delegation focused on military-technical co-operation, joint production of equipment and the attempt to localise manufacturing through progressive intellectual interactions and information sharing.¹⁷³ During his meeting with the Chief of the General Staff of the Armed Forces of Myanmar, Russian Deputy Defence Minister acknowledged Myanmar as a reliable strategic partner in the Asia-Pacific.¹⁷⁴ Bangladesh and Russia discussed the need for increased cooperation, particularly the possibility of training Bangladeshi military personnel at Russian universities.¹⁷⁵

**Russia-India**

From August 4, India and Russia conducted a fortnight-long joint exercise *Indra 2021*, in Prudboy Ranges, Volgograd.¹⁷⁶ The exercise involved counter-terrorism operations undertaken by 250 servicemen from both countries. A 101-member Indian Army contingent is also participating in the 7th *International Army Games 2021* in Russia.¹⁷⁷ Indian Army representatives have been participating in drills involving high altitude area terrain, operations in snow, sniper actions, and combat engineering skills in obstacle ridden terrains in the various competitions.

Russia’s state arms exporter Rosoboronexport expressed readiness to supply *India* with a variety of military equipment, including machine guns, grenade launchers, assault rifles, etc.¹⁷⁸ It is possible that a contract for the equipment was discussed at the bilateral meeting on the sidelines of the IMTF Army expo. The two countries also reportedly concluded a deal for India to procure 70,000 *AK-203 assault rifles* off the shelf as a larger venture to jointly manufacture over 600,000 rifles in India remains pending since its announcement in 2018.¹⁷⁹
China, Pakistan, and the United States participated in discussions of the ‘extended troika’ on Afghanistan’s political situation convened by Russia on August 11 in Qatar. While India was not invited to the talks, the Ministry of External Affairs spokesperson stated that Delhi is in regular consultations with Moscow on the Afghan situation. For instance, the developments in Afghanistan were discussed during India’s deputy NSA’s visit to Moscow and his interactions with Russia’s NSA and Deputy Foreign Minister. Prime Minister Modi and President Putin have agreed to establish a permanent channel for bilateral consultations on the issue during their phone conversation on August 24.

Russia–China

Moscow and Beijing carried out their fourth joint military drill in China’s Ningxia Hui Autonomous Region from August 9 to August 13. The exercise was aimed at enhancing co-operation and the ability to “jointly maintain regional peace and security”. It was also decided that more than 10,000 participating troops will set up a joint command and train in mixed combat groups to enhance the joint counter-terrorism capabilities of the armed forces.

In a significant development, the construction of the China–Russia Tongjiang-Nizhneleminskoye Bridge, linking China’s northeast railway system to Russia’s Siberian rail network, was completed on August 17. The cross-river railway bridge is the latest project to be concluded in China’s Belt and Road Initiative.

Russia–U.S.

The friction in Russia’s relations with the US continued during the month. American missions in Russia recently laid off 182 employees in order to meet the Kremlin’s August 1 deadline for removal of employees who were locals. On August 1, Moscow's ambassador to Washington claimed that the Russian embassy received a list of 24 diplomats who were required to leave the country by September 3 because of tightened visa restrictions. The claim was dismissed by State Department officials, who said that all Russian diplomats are free to apply for visa extensions, which will be reviewed on a “case by case basis”. Russia’s ambassador also announced that Moscow has repeatedly proposed a mutual one-year extension for visas of both countries’ diplomats, but has received no response from the US on the matter.

The US has also announced sanctions this month on three Russian firms – Asia-Invest, Charter Green Light Moscow and electronic manufacturer Pulsar. The State Department’s announcement stated that the entities’ actions “warrant
the imposition of measures pursuant to Section 3 of the Iran, North Korea, and Syria Non-proliferation Act”. The causes of the sanctions are unclear, and they will be in place for two years, unless lifted by the Secretary of State.

Despite being two of the key players involved in Afghanistan’s current political turmoil, Moscow and Washington appear unable to co-ordinate responses in the region. Russian Deputy Foreign Minister Alexander Grushko said that Moscow had proposed an algorithm to NATO that could facilitate interaction in case of rescue, assistance and evacuation in Afghanistan, but the alliance did not respond to the proposal.

**Russia-Japan**

Russian Foreign Minister Sergey Lavrov held a telephone conversation with his Japanese counterpart Motegi Toshimitsu on August 11, where the two discussed the status of progress on the bilateral peace treaty dialogues. The ministers also discussed possibilities for joint economic co-operation in the Southern Kuril Islands. News reports state that Minister Motegi expressed Japan’s displeasure at Russian Prime Minister Mikhail Mishustin’s visit to the islands last month, but official statements from both countries make no reference to any such discussion.

Moscow reportedly plans to add 51 additional military infrastructure components on the Kuril Islands; it has reportedly already erected about 30 structures on the islands, including housing quarters for military personnel on the disputed Iturup and Kunashir islands. Preparations for Russia to establish a customs-free zone in the Kurils are also underway, and Russia's Minister for the Far East and Arctic Development told media that the specifics of this project would be finalised by September, and unveiled at the Eastern Economic Forum.

**Domestic Developments**

Russia is currently dealing with an unprecedented climate crisis – the largest wildfires in the history of satellite observations. Over 17 million hectares of land is ablaze across the country, with 170 individual fires currently burning from the Western Kostroma province to Magadan in the Far East. NASA has reported that smoke from the Yakutia province has travelled more than 3000 km to reach the North Pole, calling the occurrence “a first in recorded history.”
The republic of Sakha (Yakutia), Russia’s largest and coldest region, has been devastated by unprecedented wildfires this summer. Source: Moscow Times/TASS

Russia’s upcoming September elections continue to be mired in controversy. The Organization for Security and Co-operation in Europe (OSCE) announced on August 4 that it would not send observers to the Russian polls next month due to restrictions imposed by Russian authorities. It will be the first Russian election unobserved by the OSCE since 1993. Another monitoring agency is likely to face hurdles in the upcoming elections. Russia’s Ministry of Justice designated independent election monitoring group Golos a ‘foreign agent’ on August 18, a move that critics allege Moscow is using to suppress independent groups in the time leading up to the elections.
V. India and West Asia: Defence Co-operation and Economic Engagement  
Sanket Joshi

Defence and Security Co-operation

Indian Prime Minister Narendra Modi spoke to his Israeli counterpart Naftali Bennett on August 16 and discussed a range of issues, including co-operation in the technology and innovation sectors. On August 9, Israeli Defence Minister and the Indian Ambassador to Israel had held discussions on deepening India-Israel defence and industrial ties.

During the month, the Chief of the Indian Air Force, Air Chief Marshal RKS Bhadauria, visited Israel and held discussions with his counterpart. New Delhi and Tel Aviv "reaffirmed a shared vision of enhanced bilateral engagements and multidisciplinary professional exchanges for the future". Indian Air Force's Project Cheetah, aimed at "upgrading country's Heron drones with Israeli assistance", is reportedly set to take off. According to reports, about "90 Heron drones of the three services are likely to be upgraded and armed with laser-guided bombs, air-to-ground, and air-launched anti-
tank guided missiles”.

The upgrades also include equipping the Herons with the “capability of satellite navigation and specialized sensors to keep an eye on enemy locations from far distances and controlling them through satellite communication system.” A Hyderabad-based firm has reportedly "emerged as the first private player in India to export rocket motors to Israel”.

India’s defence relations with Gulf Countries continued its upward momentum. The Indian Navy conducted major naval exercises with countries in the Gulf, further strengthening India’s defence partnerships in the region. Heraling a new chapter in India-Saudi Arabia defence relations, New Delhi and Riyadh held their maiden naval exercise Al-Mohed Al-Hindi off Al-Jubail, which focused on co-ordinated action against asymmetric threat and interoperability. India and the UAE’s navy undertook the bilateral naval exercise Zayed Talwar 2021 off the Abu Dhabi coast with the participation of “INS Kochi, with two integral Sea King MK 42B helicopters. Meanwhile, India and Qatar held the second edition of the joint naval exercise, Zair-Al-Bahr, while India and Bahrain held a Passage Exercise (PASSEX) in the Gulf.

While there has been rapid co-operation with select countries in the Gulf, the Organisation of Islamic Co-operation (OIC) has continued to comment on India’s internal affairs. On the second anniversary of India abolishing the special constitutional status for Jammu and Kashmir (Article 370), the OIC described India’s steps as “unilateral”, aimed at altering the “internationally
recognised disputed status of the territory” and reiterated calls for New Delhi to “revoke all these steps.”²¹² The Indian government has termed the comments as unacceptable and added that it categorically rejects “yet another unacceptable reference by OIC to Indian UT of Jammu and Kashmir.”²¹³ Further, the Indian government called on the OIC to “refrain from allowing vested interests to exploit its platform for comments on internal affairs of India.”²¹⁴

Turkey’s newly appointed Ambassador to India has asserted that the two countries “do not need to reset their ties.”²¹⁵ He spoke of “India as a friendly country of significant importance to Ankara with its vibrant economy, human resources and increasing critical role in the international arena.”²¹⁶ It must be noted that Indian company DCM Shriram is investing USD1 million in Turkish drone maker Zyrone Dynamics.²¹⁷ DCM Shriram stressed that “the partnership is more than just an investment, it is about creating a global UAV company for various applications in civilian and military fields.”²¹⁸

**Trade and Economy**

The International Monetary Fund (IMF) in its latest World Economic Outlook projects a growth rate of the global economy of 6 per cent in 2021 and 4.9 per cent in 2022.²¹⁹ The IMF projects a growth rate of 4.1 per cent and 3.1 per cent for the same years in the Middle East region.²²⁰ Rising oil prices augur well for the region with crude prices projected to average USD 64.68 per barrel in 2021, up from average of USD 41.29 per barrel in 2020.²²¹

To further boost Indian exports, New Delhi is likely to fast track free trade agreements (FTAs) with at least six nations, including with the UAE.²²² In the hospitality sector, India’s Tata Group is eyeing cities in the Gulf, Egypt, and Turkey for expansion of its iconic Taj hotels.²²³ India-Egypt bilateral trade is also on an upward trajectory.²²⁴

India’s agricultural exports to the UAE continued as the first consignment of vegetables sourced from farmers in the Indian State of Uttarakhand were exported to Dubai.²²⁵ Importantly, the Government of India held a virtual event in which agriculture exporters from India were connected to international buyers from the UAE, the United States and Japan.²²⁶ Meanwhile, consignments of dragon fruit and apples sourced from various Indian states have been exported to Saudi Arabia, Bahrain and the United Kingdom.²²⁷
Amid the ongoing COVID-19 pandemic, China has suspended imports of Indian seafood, alleging that it has found dead coronavirus cells on imported packages. As a result, Indian exporters are looking to shake-off China’s supply chains and penetrate markets in West Asia, where there is great demand for value-added marine products.

Digital technologies are emerging as a key area of co-operation between India and Bahrain. The National Payments Corporation of India (NPCI International) has collaborated with Bahrain’s fintech and electronic financial transactions service ‘BENEFIT’ to enable RuPay acceptance at ATMs and point of sale (PoS) terminals across Bahrain.

India’s SVP Group owned subsidiary SV Pittie Sohar Textiles has commenced commercial operations at its mega textile plant in Oman’s ‘Sohar Free Trade Zone’. The plant was set up at an investment of USD150 million.

Amid rising inflation, the Biden administration urged the Organisation of the Petroleum Exporting Countries (OPEC) to further increase crude production. OPEC’s July agreement to boost oil production by 400,000 barrels per day on a
monthly basis beginning August is “simply not enough” during the “critical moment in the global recovery”, the White House added. OPEC+ has rejected this plea. India had overhauled its strategic petroleum reserves policy to boost private investment. As a result, Delhi has begun selling oil from its strategic petroleum reserves to state-run refiners.

India-GCC Relations

Qatar is emerging as the first point of contact for nations who want to engage the Taliban. In light of this, India’s External Affairs Minister Dr. S. Jaishankar met Qatar’s Foreign Minister in Doha to “exchange views on Afghanistan.”

In a development concerning Indian migrant workers, Indian Ambassador to Kuwait met director of Kuwait’s Public Authority for Manpower and expressed Delhi’s interest in providing more domestic workers to the Gulf country. The UAE and Kuwait have allowed Indian passport holders to enter on a tourist visa provided that they have not visited or been in India in the last 14 days. On the other hand, Saudi Arabia has imposed a three-year travel ban and hefty penalties on citizens who visit countries on Saudi Arabia’s COVID-19 red list, including India. It must be noted that, “Indian nationals who have travelled
to India after receiving two doses of [COVID] vaccine in Saudi Arabia will be able to return to the Kingdom directly without need for quarantine in a third country”.  

Saudi Arabia will host the Middle East Green Initiative Summit in October 2021 to promote regional efforts in combating climate change. Riyadh has invited Prime Minister Modi to participate in this event.

Meanwhile, Diplomatic Advisor to the President of the UAE visited India on August 30 and held talks with External Affairs Minister Dr. S. Jaishankar. The two leaders “noted steady progress of India-UAE bilateral relations” and “discussed regional concerns of common interest”.

Taliban’s Takeover in Afghanistan and Reaction of the Gulf

Former Afghan President Ashraf Ghani, who left the country after the Taliban takeover, landed in the UAE to seek refuge. The US withdrawal from Afghanistan risks emboldening radical Islamic terrorist organisations in the Middle East. Al-Qaeda, Hamas, and Hezbollah are gloating over Taliban’s victory. Countries in the Gulf are reportedly jittery about Taliban’s rule in Afghanistan, but may seek pragmatic relations in future. Saudi Arabia and the UAE had recognised Taliban’s rule in Afghanistan from 1996-2001. It remains to be seen if the Gulf countries could exert religious and economic clout to moderate the Taliban.

China and the Middle East

China is looking to enhance its footprint in the Middle East. Chinese President Xi Jinping spoke with Iranian President Ebrahim Raisi and reiterated Beijing’s support for Tehran’s “legitimate demands” in nuclear negotiations during the Vienna talks. In his conversation with Iraqi PM Barham Salih, President Xi stressed that “China will support the country's reconstruction efforts”. Even as China’s engagement in the region increases, analysts are concerned at Taliban’s haul of US weapons and equipment left behind in Afghanistan, which has the potential to destabilise the region including China’s Xinjiang Uyghur Autonomous region.

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