



Delhi Policy Group

# DPG POLICY BRIEF

India's Foreign and Security Policy:  
Achievements and Future Challenges  
for NDA 2.0

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### ABOUT US

Founded in 1994, the Delhi Policy Group is among India's oldest independent think tanks with its primary focus on international and strategic issues of critical national interest. Over the past decades, the Delhi Policy Group has established itself in both domestic and international circles, particularly in the area of national security.

In keeping with India's increasing global profile as a leading power and the accompanying dynamism of India's foreign and security policy, the Delhi Policy Group has expanded its focus areas to include India's broader regional and global role; India's initiatives to strengthen its strategic periphery; India's political, security and connectivity challenges and policies across the Indo-Pacific; and the strategic partnerships that advance India's rise. To support these goals, the DPG undertakes research, publishes policy reports and organises conferences on strategic and geo-political, geo-economic, and defence and security issues.

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*The views expressed in this piece are those of the authors and should not be attributed to the Delhi Policy Group as an Institution.*

### Cover Photographs:

*(Photographs top to bottom)*

*Prime Minister Narendra Modi meeting the President of the United States of America, Mr. Donald Trump, at the White House in Washington D.C., on June 26, 2017. Source: MEA*

*Prime Minister Narendra Modi with Chinese President Xi Jinping at the Wuhan informal summit on April 28, 2018. Source: Associated Press*

*Prime Minister Narendra Modi with Russian President Vladimir Putin during their Summit meeting in Sochi on May 21, 2018. Source: Hindustan Times*

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## India's Foreign and Security Policy: Achievements and Future Challenges for NDA 2.0

by  
Hemant Krishan Singh and Arun Sahgal

The National Democratic Alliance (NDA 1.0) Government led by Prime Minister Narendra Modi came to power in 2014 with an "India First" agenda and the promise to accelerate India's rise as a leading power. It was widely perceived that under the NDA dispensation, India's strategic and security outlook will be driven by a more nationalist and pragmatic orientation and buttressed by decisive political leadership.

As the new Modi government assumes office following the NDA's overwhelming victory in general elections, we analyse the achievements of the NDA 1.0 foreign policy and national security agenda and outline the newly emerging challenges which will be faced by the NDA 2.0 government.



*Prime Minister Narendra Modi meeting the President of the United States of America, Mr. Donald Trump, at the White House in Washington D.C., on June 26, 2017.*

*Source: MEA*

## Past Overhang

NDA 1.0 inherited a deteriorating regional and global environment. In South Asia, the spectre of cross border terrorism and separatist and extremist violence supported by Pakistan cast a dark shadow. India's relations with other neighbours left much to be desired. On the global plane, the existing policy elites, driven by unrealistic constructs of "Non-Alignment 2.0" and "strategic autonomy", underplayed the geopolitical compulsions that were leading the US to draw closer to India. The rise of China was seen more as an economic phenomenon and less of a geo-strategic challenge with serious implications for the regional security order. A mistaken assumption widely prevailed that India could "manage" relations with China by embracing cooperation and shunning competition. Old ideological mindsets lingered.

Russia's strategic importance, both as a Eurasian player and as a key strategic partner of India, was handled with benign neglect and became increasingly transactional. Critical political relations with the Middle East powers remained unharnessed and were seen largely in the limited context of meeting energy needs and Diaspora compulsions.

The "Look East" policy was viewed mainly as an economic imperative and lacked strategic context. Even after the collapse of ASEAN cohesion in 2012, ASEAN continued to be seen as a single entity, instead of being disaggregated into continental, peninsular and maritime nations each with different characteristics and levels of strategic importance for India.



*Prime Minister Narendra Modi with Chinese President Xi Jinping at the Wuhan informal summit on April 28, 2018. Source: Associated Press*



India's neighbourhood policy was adrift, with growing political dissonance and indifferent economic engagement. Relationships were marked by increasing friction, with India being perceived as lacking in sensitivity towards the interests of South Asian neighbours, or even being accused of interfering in their internal affairs. As part of soft balancing, most of India's neighbours opened their economies to Chinese investments, development assistance and connectivity projects, which India had failed to provide or offer on acceptable terms.

### Foreign and Security Policy of NDA 1.0

PM Modi's overall foreign policy over the last five years has been marked by greater national purpose; less equivocation; increased leveraging of comprehensive national power in pursuit of national objectives; and the embrace of greater regional responsibilities. Consequently, the focus has been on a more vigorous pursuit of economic and political relations with neighbours in South Asia and the Indian Ocean Region, engagement with regional and major powers based on a refreshingly realist orientation, recognition of key challenges and the utilisation of opportunities to expand India's strategic outreach. Another important element has been decisive responses to direct security challenges posed to the country: Uri (2016), Doklam (2017) and Pulwama (2019).

There were three distinct strands of the foreign policy discourse in NDA 1.0.

First, to reset relations with South Asian neighbours through a "Neighbourhood First" policy which sought to improve security and economic ties with all, including Pakistan.

Second, building strong partnerships with major regional powers from West Asia to South East Asia and extending to East Asia and the Pacific, to advance India's security, economic and trade interests. Strategic and economic engagement with Japan was given high priority.

The third and perhaps most important strand was shaping relations with the major powers. With the US, the clear intention was to overcome the hesitations of history, upgrade the strategic partnership based on converging interests in the Indo-Pacific, and leverage these ties for upgrading India's defence and technological capabilities. Strategic balancing of China was not a direct objective but a more carefully nuanced aim, pursued through a focus on a rules-based regional order, respect for the global commons and promotion of equitable cooperation, thereby ensuring that Asia remains free from hegemonic dominance. India's engagement with China centred around

building security understandings and economic relations on balanced terms. From Doklam to Wuhan, the aim was to project India's nationalist purpose and political resilience, while preventing differences from becoming disputes. With Russia, relations were reset through formal and informal summits which progressed economic and security ties. Russia remained the major source of defence equipment, providing 62% of India's entire defence purchases from 2013-18.



*Prime Minister Narendra Modi with Russian President Vladimir Putin during their Summit meeting in Sochi on May 21, 2018. Source: Hindustan Times*

## Security Agenda for NDA 2.0

India's military response to the Chinese intrusion at Doklam and Pakistan-inspired acts of terror in Jammu and Kashmir (Uri and Pulwama) has already highlighted political resolve to safeguard India's vital national security interests. It is hardly surprising, therefore, that emphasis on national security became a central plank of the BJP's electoral agenda. While it is difficult to gauge to what extent this was reflected in the election results, the overwhelming victory of the BJP-led NDA indicates that this stance resonates well with the public psyche, as does decisive action to deploy military power in the national interest. It can, therefore, be expected that this established template will remain embedded in the security agenda of NDA 2.0.



## Emerging Foreign Policy Challenges

As the NDA 2.0 government commences its term, India finds itself surrounded by a highly unstable regional security environment and a global power flux. Asia has emerged as a central arena for international relations and the Indian Ocean as an indispensable connector of the global economy. A major shift appears to be underway in US policy towards China, which includes a revived focus on the "Indo-Pacific" to sustain a balance of power favourable to the US and confront China's perceived threats to US economic, technological and military supremacy. There is a palpable groundswell of bipartisan determination in Washington D.C. to counter China's hegemonic ambitions in Asia and beyond. The emerging US-China standoff will not be waged over ideology and military might alone. It will encompass systemic, political, economic, technological and military competition. As this trend gathers momentum, it will have a major impact on global geopolitics and the multilateral institutions that underpin global trade and economy. US foreign policy under President Trump involves an "America First" approach, with its internationalist purpose restricted to achieving limited US interests and goals abroad. And yet, the US is seeking burden-sharing partnerships with nations which share similar values and strategic goals. The two elements are not in consonance. It remains to be seen, therefore, if this America-centric agenda will contribute to upholding global order or merely become a source of regional and global turbulence.



*Japanese PM Shinzo Abe hosting Indian PM Narendra Modi at his personal villa near Lake Kawaguchi in Yamanashi during the latter's visit to Japan on October 28-29, 2018. Source: MEA India/ Twitter*

Coming back to South Asia, a decade-long period of peace in Sri Lanka has been shattered by terrorist bombings claimed by the Islamic State (ISIS). The Rohingya issue in Myanmar, political turbulence in Nepal and Bangladesh and Chinese inroads across India's neighbourhood remain areas of concern. India's relations with Bhutan are ever more critical against the backdrop of Chinese pressures for establishing direct diplomatic relations and resolving the Bhutan-China boundary dispute. Skilful diplomacy has retrieved the adverse situation in the Maldives, but the outlook remains uncertain, given China's record of carving political influence through BRI projects.

In the Af-Pak region, India's security interests are increasingly impacted by the scaling up of the Taliban insurgency, little or no progress in the peace process through which the US is attempting to claim an honourable exit, and more importantly by the continuing stalemate over the issue of intra-Afghan dialogue. President Trump's South Asia policy, announced with much fanfare in 2017, is in tatters. For India, the situation is further exacerbated by Pakistan (read its military) assuming the role of peace broker in Afghanistan. We could be on the threshold of an open-ended civil war that results in the balkanisation of Afghanistan.

Post Pulwama and Balakot, relations with Pakistan remain tense. Pakistan itself shows signs of political and economic instability, with increasing ethnic tensions, a low-grade insurgency in Baluchistan, unrest in Sind and in Gilgit-Baltistan. While spin masters in Islamabad tout good relations between the Pak PM and the all-powerful military, what this really means is that PM Imran Khan serves at the military's pleasure. Despite US and international pressure, Pakistan's deep state continues to support activities of extremist groups in Jammu and Kashmir. A deep-seated nexus appears to be emerging between Kashmiri militants and their cross-border handlers.

Meanwhile, the China-Pakistan Economic Corridor (CPEC) has begun to take concrete shape. Gwadar on the Makran coast is becoming the centrepiece of the PLAN's "Go West" naval strategy. Pakistan is being incorporated into Pax Sinica both economically and strategically.

In West Asia, US sanctions on Iran and curbs on its energy exports, as well as rising military tensions between them, are raising the prospect of a new round of conflict in the Persian Gulf, quite apart from adversely impacting India's energy supplies. Post the liberation of ISIS-controlled areas in Syria and Iraq, the Islamic caliphate is in retreat but far from eradicated. A resilient ISIS is re-emerging in cyberspace, with its ideologues seeking to radicalise large sections of vulnerable Muslim youth through the Internet. The recent serial bombings

in Sri Lanka and subsequent arrests in Kerala indicate that the ISIS carries a major threat potential which India will need to monitor closely.

Despite the so-called Wuhan spirit and PM Modi's intention to host President Xi at a return informal summit later this year, India-China relations continue to be marked largely by mutual suspicion and competition. Statements and declarations to enhance mutual cooperation and address bilateral differences "properly" have yielded little or no tangible progress. China continues to pursue a policy of encirclement through its growing footprint both in South Asia and the Indian Ocean. On the disputed border, relative tranquillity prevails for the present, even as PLA activities to improve China's coercive military posture continue apace. From India's perspective, what is most troubling is that there is simply no serious intent on the Chinese side to seek a permanent resolution to the boundary dispute. The growing India-US strategic partnership, which China sees as part of a containment strategy, is emerging as a point of friction, but without any reassuring signals by China to India. If China wishes to reciprocate India's proposition that the two countries must show mutual respect for each other's aspirations, concerns and interests, then the ball is squarely in Beijing's court. NDA 2.0 will need to evolve a long-term strategy on managing relations with China, which is backed by incentives as well as clearly defined red lines.



*The Prime Minister, Shri Narendra Modi meeting the President of France, Mr. Emmanuel Macron, at the Elysee Palace in Paris on June 03, 2017. Source: French Embassy*



Despite prevailing uncertainties about US intentions and President Trump's international statecraft, Prime Minister Modi has ensured that the broad trajectory of India-US relations remains promising. Both countries have worked hard to enhance relations, build political trust and increase understanding of their respective concerns. This augurs well for broadening the strategic content of the relationship by building further on core Indo-Pacific convergences. The Ministerial-level 2+2 Strategic and Defence Dialogue, designation of India as a Major Defence Partner, conclusion of foundational agreements (except BECA, which is also on the cards) and \$18 billion in major defence contracts underline the road traversed. In the US, there is political commitment in the administration as well as Congress to build India's military capability and enhance its strategic influence. US actions to lean on Pakistan during the Pulwama crisis as also on China on the issue of Masood Azhar indicate US willingness to walk the talk.



*Prime Minister Narendra Modi with the ASEAN leaders at the Plenary of ASEAN-India Commemorative Summit in New Delhi on January 25-26, 2018. Source: ASEAN*

Notwithstanding this favourable conjuncture, there is no escaping the fact that India-US relations are marked by differing strategic drivers based on their respective interests. The US is consumed by the China challenge and has come to see all relationships from this singular perspective, imparting both an edge and urgency to US expectations from allies and strategic partners. Thus, in the American perspective, the India-US relationship remains China-driven and India is seen as a strong regional bulwark of a broader strategy to counter China. The US is keen that India should align with its interests as the regional

balancer to China and a factor of net security reassurance for Southeast Asia. Theatre level defence and security cooperation with India is similarly seen from the perspective of a quasi-ally in a US-led operational framework. Meanwhile, there remains a considerable degree of ambivalence among US decision makers about India's core security concerns, from the continental to the maritime domain as well as India's western arc of crisis, and what capital the US is willing to expend in these areas.

Another disturbing element is that with the continuing US-Russia strategic rivalry, the issue of Russian weapons platforms such as the S-400 system, which the US sees as potentially compromising US military technologies supplied to India, is coming to the fore. India could, as a result, face both CAATSA sanctions and curbs on transfers of advanced US weapons systems. Going forward, this can become a serious impediment to the bilateral relationship and in effect presents a major strategic dilemma for India in framing the limits and long-term prospects for the India-US strategic partnership.

India-Russia bilateral relations have clearly improved as a result of the personal efforts of their leaders. However, Russia's growing relations with Pakistan, including low-level military exercises and proposed arms sales (which include attack helicopters and possibly SU-35s) are a cause of concern. In addition, a Russia-China-Pakistan axis is on the horizon over both the Afghan peace process and the BRI.

Meanwhile, tensions with the US have continued to drive Russia closer to China, resulting in the Eurasian landmass coming under their combined dominance. With Iran now squarely in the US crosshairs, India's connectivity to Afghanistan and Central Asia faces an uncertain future. NDA 2.0 will need to grapple with these thorny issues.

On the Indo-Pacific, where there is broad convergence of outlook and strategies between India and the US, much work remains to be done to align divergent perceptions of geographical scope and security architecture. The US continues to look at the Indo-Pacific as East and Southeast Asia-centric, with the focus of attention on China's militarisation of the South China Sea, threats to Taiwan and the challenge of North Korea. There is little interest in extending the Indo-Pacific security calculus across the Indian Ocean, which is fast becoming a central arena for China's maritime expansion and military deployment. India and the US need to consider operational cooperation, joint exercises and capacity building in the western Indian Ocean, an idea which is slowly gaining some traction in the corridors of US power.





*Prime Minister Narendra Modi delivering the Keynote Address at the Shangri-La Dialogue in Singapore on June 01, 2018. Source: Reuters*

Defence and security ties are today the centrepiece of India's strategic partnership with the US. Hopefully, we will also see a greater effort in PM Modi's second term to put bilateral trade and investment relations on an equally positive footing. The US termination of GSP benefits to India from June 5, 2019 and imposition of additional tariffs on solar panels and other products from which India has thus far been exempted only highlights the emerging impasse between the US and India on "equitable and reasonable" market access issues that requires urgent attention. India is likely to suffer far less from the US-China trade war than from its failure to negotiate a balanced deal for an enhanced trade and investment regime with the US. The US is India's single largest trade partner, with bilateral trade rising 12.6% from \$126 billion in 2017 to \$142 billion in 2018. The US is also the largest destination for India's ITES exports, a major two-way investment partner and leading supplier of critical defence hardware. NDA 2.0 will need to act decisively to protect these economic equities in the relationship, ensure that there are no negative shocks to bilateral trade and India's progress as an attractive investment destination continues apace. This will require pragmatic dealmaking with the US, which has proved elusive thus far.

India's trade policy, whether at the WTO or in RCEP negotiations, needs to be more realistically oriented and strategically defined. Compromise solutions will need to be found for India to successfully conclude negotiations on RCEP before the end of the year.



*Japan PM Shinzo Abe, US President Donald Trump and Indian PM Narendra Modi at the inaugural JAI Summit on the side-lines of the G20 Summit in Buenos Aires, Argentina on November 30 – December 1, 2018. Source: MEA India/ Flickr*

Prime Minister Modi's formidable political skills as well as proactive diplomacy will be essential if India under NDA 2.0 is to successfully manage the prevailing global scenario of geopolitical competition and geoeconomic disruption. PM Modi's appointment of India's most accomplished diplomat in recent years, Dr. S. Jaishankar, as the Minister of External Affairs could not have come at a more opportune time.

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