



MAINS
365

International Relations

Classroom Study Material 2020
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INTERNATIONAL RELATIONS

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1. INDIA AND ITS NEIGHBOURS

1.1. INDIA CHINA

Why in news?

India and China are engaged in an eight-month standoff at LAC in Eastern Ladakh. Both the countries are also engaged in military and diplomatic talks to resolve the border dispute.

About the current standoff

- **Chinese soldiers crossed the LAC around the Galwan River valley during May 2020.** There have been reports of Chinese soldiers having moved into Indian territory at **multiple locations in eastern Ladakh** across the LAC leading to high levels of tension between India and China. (see the map).
- In the events that followed at least 20 Indian soldiers were killed in a clash with Chinese forces. It was the **first deadly clash in the border area in at least 45 years.**
- Alongside, both agreed to **maintain dialogue and communication through military and diplomatic channels.** More than 8 rounds of talks were completed and talks are still continuing. Both sides agreed to earnestly implement the important understandings reached by the leaders of the two countries, not to turn differences into disputes, and jointly safeguard peace and tranquillity in the border area.
- However, border remains tense as reports say that **China is upgrading and installing radars swiftly along the LAC.**



India- China Border Dispute

- The border between India and China is not clearly demarcated throughout and there is **no mutually agreed Line of Actual Control (LAC).**
- The LAC is the demarcation that separates Indian-controlled territory from Chinese-controlled territory. India considers the LAC to be 3,488 km long, while the Chinese consider it to be only around 2,000 km.
- The LAC is divided into three sectors, viz. Western, Middle and Eastern.
 - The **boundary dispute in the Western Sector (Ladakh)** pertains to the **Johnson Line** proposed by the British in the 1860s that extended up to the Kunlun Mountains and put Aksai Chin in the then princely state of Jammu and Kashmir.
 - ✓ India used the Johnson Line and claimed Aksai Chin as its own. China, however, do not recognise it and instead accepts **McDonald Line** which puts Aksai Chin under its control.
 - In the **Middle Sector (Himachal Pradesh and Uttarakhand)**, the dispute is a minor one. Here LAC is the least controversial except for the precise alignment to be followed in the Barahoti plains. **India and China have exchanged maps** on which they broadly agree.
 - The disputed boundary in the **Eastern Sector (Arunachal Pradesh and Sikkim)** is over the **McMahon Line (in Arunachal Pradesh)** decided in 1914 in a meeting of Representatives of China, India, and Tibet in Shimla.
 - ✓ Though the Chinese representatives at the meeting initiated the agreement, they subsequently refused to accept it. The Tawang tract claimed by China was taken over by India in 1951.

Possible Reasons for Current standoff

It is always challenging trying to interpret China's intentions. Various experts cite different reasons some of which are as follow-

Border Dispute Settlement Mechanism

A series of five agreements signed between India and China to address disputes arising over the LAC:

- 1993 Agreement on the Maintenance of Peace and Tranquility along the LAC
- 1996 Agreement on Confidence-Building Measures in the Military Field Along the LAC
- 2005 Protocol on Modalities for the Implementation of Confidence-Building Measures in the Military Field Along the LAC
- 2012 Agreement on the Establishment of a Working Mechanism for Consultation and Coordination on India-China Border Affairs
- 2013 Border Defense Cooperation Agreement.

These agreements provide a modus operandi for diplomatic engagement at the military and political levels, as well as a set of "status quo" commitments both sides can return to in case of escalation.

- **Infrastructure Development along the LAC:** In the past decade, India has worked hard to strengthen its position on the border and its presence along the LAC. E.g. Dalut Beg Oldie (DS-DBO road) in the northern tip of the western sector greatly facilitates the lateral movement of Indian forces along the western sector, reducing travel time by 40%.
- **Shadow of Doklam Episode:** In a broader context, current confrontation is also attributed to the **2017 China-India standoff at Doklam.**
- **Reorganisation of Jammu and Kashmir:** China had earlier also protested against the formation of new Union Territory of Ladakh and accused India of trying to transform the LAC unilaterally.
- **Global backlash against China for mishandling of COVID-19:** India also supported a Resolution at the World Health Assembly demanding a fair probe into the origin of Coronavirus. Also, India has recently taken over as the chair of the WHO executive Board.
- **Signs of new Chinese aggressiveness:** along the Sino-Indian border is one of the elements of China's new adventures including
 - the new security law Beijing has enacted to control Hong Kong,
 - the enunciation of new administrative structures in the South China Sea,
 - the new language on Taiwanese reunification used during the May 2020 National People's Congress plenary session in Beijing.
- **India's steps in Indo-Pacific:** India's participation in **Quadrilateral Security Dialogue (Quad), with strong maritime component, proposals like Supply Chain Resilient initiative** are seen by China as potential anti-Chinese alliance of democracies aimed at containing it and checking its maritime rise in the Indo-Pacific.

Other Issues between India and China

- **Chinese Initiatives:** There are many Chinese initiatives that India is suspicious about-
 - **Belt and Road Initiative (BRI):** India boycotted BRI on issues of sovereignty (as China-Pakistan-Economic-Corridor – part of BRI, passes through Pakistan Occupied Kashmir) and other concerns over transparency, debt burden issues.
 - **Increasing presence in Indian Ocean:** Chinese policy of building ports and naval bases around India's maritime reaches such as Cocos Island in Myanmar, Chittagong in Bangladesh, Hambantota (Sri Lanka), Marao Atoll (Maldives) and Gwadar (Pakistan) is seen as Chinese encirclement of India.
- **River Water Dispute:** China has been building dams (Jiexu, Zangmu and Jiacha) in the upper reaches of the Brahmaputra which is called Tsangpo in Tibet. India has objected to it but there has been no formal treaty over sharing of the Brahmaputra water (as discussed in the following section).
- **Presence in South Asia:** China has been increasing investments, enhancing trade with countries in South Asia challenging India's traditional position in the neighborhood.
- **Trade imbalance:**
 - **China is India's 2nd largest trading partner;** whereas India is within the top ten of China's trading partner. A **trade deficit of \$51.11 billion USD with China** is a cause for concern for India because it signifies an inability to compete with Chinese manufactured goods.

Why a full-blown Sino-Indian war is unlikely?

- **Nature of the dispute and the lack of ideological fundamentalism** - India and China do not see each other through an ideological lens. This is unlike how United States and China see each other.
- **Willingness for diplomatic engagement at the military and political levels** – Summit diplomacy is likely to return if the crisis escalates further as was the case in 2015 Ladakh and 2017 Doklam crisis. Both sides have reiterated the intention to de-escalate the current stand-off based on the **already signed agreements.**
- **Element of ambiguity surrounding the details of the stand-off** - The ability of both governments to manage national media, and the inscrutability of the facts related to the dispute, aided efforts to **manage domestic audience.**
- **Material costs of limited war for both parties far outweigh potential gains**
 - **For China,** conflict on the border with India would diminish its ability to meet security challenges in the South China Sea, thus making it vulnerable to the United States, which Beijing considers its **primary security competitor.** Additionally, **reputational damages** suffered due to COVID-19 and pre-existing fears surrounding China's rise will all temper Beijing's pre-emptive use of military force.
 - **For India,** the primary security challenge remains Pakistan-based terrorist infiltration on the Kashmir border. More importantly, beyond the protection of vital strategic points, the vast tracts of disputed land along the LAC do not hold any important material resources such as oil, precious mineral reserves. The benefits of territorial aggrandizement are therefore, limited to deterrence value and the natural terrain offers few advantages to offensive forces.

- A significant trade imbalance in favor of China, market access issues, and security considerations have kept **bilateral trade limited**.
- **China's protectionist policies:** They hinder the ability of Indian companies to enter Chinese markets.
- **China's Support to Pakistan:** Through investments (e.g. CPEC), and supporting Pakistan on various issues like on Kashmir in UNSC, on terrorism, on NSG etc. has emboldened Pakistan to continue its policy of asymmetric warfare against India.

Way forward

- **Reimagining the Spirit of Wuhan summit (2018 "informal summit" in Wuhan):** Wuhan was an attempt to articulate some norms that could serve as a renewed set of guidelines to policymakers and bureaucracies in both countries. It was built on **five pillars**.
 - The **"simultaneous emergence of India and China"**, two major powers with independent foreign policies is a reality.
 - The relationship has regained importance and become **"a positive factor for stability"** in the global power flux.
 - Both sides recognise the **"importance of respecting each other's sensitivities, concerns and aspirations"**.
 - Both leaderships would provide **"strategic guidance to their respective militaries"** to manage the border peacefully.

Chinese forays in Indian neighbourhood

- **Pakistan-** China is working on China-Pakistan Economic Corridor, which even passes through the Indian territory under Pakistan's occupation. Chinese presence is there on Gwadar port.
- **Bangladesh-** China is financing 25 energy projects in Bangladesh and has extended its support to build Bangladesh Second Nuclear power plant. Bangabandhu-1 First communication satellite of Bangladesh was negotiated and financed through help of Chinese government.
- **Sri Lanka-** Recently, China has donated a frigate to the Sri Lankan Navy, credit to procure China-made counterinsurgency equipment among other areas. Chinese presence is there on Hambantota Port.
- **Maldives-** China owns around 70 per cent of the Maldives' debt. Maldives signed China's Belt and Road Initiative, changed laws to lease out several prime islands to China, and allowed Beijing to build an observation post in Makunudhoo, which is not far from India.
- **Myanmar-** There is a comprehensive strategic cooperative partnership between both countries. Chinese presence is there on Cocos Island.

The benefits and limits of informal summits

India China had two informal summits, Wuhan and Mamallapuram, which has significantly helped navigate their relationship during turbulent times.

Interests of both countries in informal summits

- **India's Interests:** It is important for India to engage China. And the informal summitry of this kind **allows India to stand on par** with its much more powerful neighbor and discuss issues in a setting where there is **no pressure of deliverables**. Moreover, it further helps to control the latest escalations in the diplomatic relations with China.
 - For example, the **Wuhan summit** last year did bring down the temperature after the high-decibel **Doklam crisis**, and managed to steer the China-India relationship from an overtly conflictual stance.
 - New Delhi **now has a more realistic appraisal of China which demands reciprocity from Beijing**. China is both India's most important neighbour, and its most significant foreign policy challenge. India cannot ignore China, and it is cognisant of the growing power differential between the two.
- **China's Interest:** The Chinese dispensation recognises the importance of engaging India to avoid unanticipated pitfalls in the relationship. Several factors explain this.
 - **Domestically, China** faces protests in Hong Kong, unrest in Uighur Muslim majority region of Xinjiang and prospects of unrest in a post-Dalai Lama Tibet.
 - The **tussle between the US and China** will and presumably weighs on Beijing to limit the number of frictional relationships in its foreign policy.
 - **China would need partners** which can help it alleviate some of these challenges. Its traditional partner of choice, **Russia, won't be of much help** as it not only is not fully integrated into the global economic order, but is also facing similar isolation with the West.
 - **India, meanwhile, remains an emerging economic power** both with the heft and credibility to shape the global economic architecture in partnership with the West. And New Delhi has shown an ability to maintain good relations with major powers.

However, there are **clear limits to informal summitry**, as India has found out since Wuhan. Despite all the rhetoric and symbolism on display at Mamallapuram, the substantive outcome remains clouded in mystery. It is manifested in **differing views in both country's official press releases** as well as no mention of discussions on pressing issues such as border disputes and China-Pakistan alliance. Hence, other diplomatic avenues should also be utilised simultaneously to further strengthen the ties.

- Both sides would strive for “**greater consultation on all matters of common interest**”, which includes building a real “developmental partnership”.
- Also, both sides agreed on working on key issues at Mamallapuram summit (took place in 2019). Key outcomes include:
 - **Trade: Both countries agreed** to establish a **High-Level Economic and Trade Dialogue mechanism** with the objective of achieving enhanced trade and commercial relations, and better balance the trade between the two countries. It seeks to **build a 'manufacturing partnership'** between India and China.
 - **Working together on international issues:** Both leaders agreed that there must be a **rules-based and inclusive international order**. Moreover, both made a **commitment to address global developmental challenges**, including climate change and meet the Sustainable Development Goals.
 - **People to people contact:** To celebrate the 70th year of diplomatic relations between the two nations, the year 2020 will be designated as **Year of India-China Cultural and People to People Exchanges**. To celebrate the **civilisational ties** between the nations, it was decided to form a '**Sister-state relationship**' between **Tamil Nadu and Fujian Province**. There is also a **proposal to set up an academy** to study these links.
 - **Chennai connect:** The two leaders also made a commitment to manage differences in such a way that they would **"not allow differences on any issue to become disputes"**.
- Despite cautious optimism in its relationship with China, there is increasing perception that actions of China are inimical to national interests.
 - In this backdrop, **India is also stepping up its strategic partnership** with like-minded Indo-Pacific partners like US, Japan, Australia etc. Thus, we will see a **far greater partnership between India and the United States on issues of mutual interest**—which is likely to have a substantial China component.
 - This is seen in India being vocal about recent QUAD meet. India will also likely look to **build greater cooperation through configurations such as the “Quad plus”** (expanding the existing grouping of Australia, India, Japan, and the United States to include New Zealand, South Korea, and Vietnam).

India's economic measures in the backdrop of standoff?

- The government has **banned more than 100 Chinese apps from operating** in India including popular apps like Tiktok, PUBG etc. Given India has **approximately over 574 million Internet users**, the ban is a big blow leading to **phenomenal loss of user base and data capital of the app**. This could lead to a potential loss of advertising revenue impacts app-makers.
- Government introduced **changes in FDI rules which mandate "prior approval" from the Centre for foreign investments from countries "that share border with India"**. This move was widely considered a hedge against Chinese takeover of domestic firms that are struggling because of the COVID-19 economic downturn.
- India has invoked **stringent quality control norms to curb poor quality Chinese imports**.
- Union Minister for Road Transport and Highways has announced that **Chinese companies would not be allowed to take part in road projects**.

Conclusion

- The **Wuhan and Mamallapuram summits acknowledge that India and China are not 'adversaries' but two large economic powers open to a healthy competition in a multipolar world**. The big picture is that China could no more afford to take India for granted and that 'checks and balances' were now recognised as a legitimate instrument for preventing 'military' conflicts in the post- Cold War era.
- Yet, the **crisis unfolding along the LAC appears on one level to be a continuation of the trends witnessed in foregoing years**. But this time, there is one important difference: unlike the discrete and geographically localized confrontations of the past, the latest encounters are occurring at multiple locations along the LAC which suggests a **high degree of Chinese premeditation and approval** for its military's activities from the very top.
- Also, **even if the current tensions were to be resolved in the near term, India's security perceptions about China are forcing** India to undertake some force restructuring to maintain constant vigilance along the LAC, especially in the western sector. Thus, India must be proactive to resist any Chinese transgressions and at the same time utilise its diplomatic skills to tone down the tensions.

1.2. INDIA-BANGLADESH

Why in news?

Bangladesh Prime Minister visited India, during which seven major deals were signed.

Significance of India Bangladesh relations

Geopolitical significance

- **Security of North East:** A friendly Bangladesh can ensure that its soil is not used for anti-India activities. Bangladesh's action resulted in the **arrest of many top leaders of the NE insurgent groups like United Liberation Front of Assam & National Democratic Front of Bodoland.**
- **Connectivity of North East:** The north eastern states are land-locked & have shorter route to sea through Bangladesh. Transit agreement with Bangladesh will spur socio-economic development and integration of North-East India.
- **Bridge to Southeast Asia:** Bangladesh is a natural pillar of **Act East policy**. It can act as a 'bridge' to economic and political linkages with South East Asia and beyond. Bangladesh is important component of **BIMSTEC and BBIN initiatives.**
- **Strengthening South Asia as a regional power:** Bangladesh is important for strengthening of SAARC, for promoting cooperation among its member nations to economic growth and securing strategic interests.
- **Securing sea lines of communication:** Bangladesh is strategically placed nearby important sea lanes. It can play significant role in containing piracy in the Indian Ocean.
- **Fighting terrorism and deradicalization:** Stable, open and tolerant Bangladesh helps India in stopping extremists from flourishing there and also in cooperation in deradicalization efforts, sharing intelligence, and other counter-terrorism efforts.
- **Balancing China:** A neutral Bangladesh would ensure containment of an assertive China in this region, and help in countering it's string of pearls policy.

Major outcomes of the visit

- The joint statement highlighted many priority areas of cooperation like Border security, boosting connectivity, defence cooperation, energy cooperation etc.
- **Several deals were finalized** including:
 - MoU for providing a Coastal Surveillance System;
 - Standard Operating Procedure on use of Chattogram and Mongla Ports for movement of goods to and from India;
 - MoU on withdrawal of water from Feni River by India for drinking water supply scheme for Sabroom town, Tripura;

Economic significance

- **Trade relations:** Bangladesh is **India's biggest trade partner** in South Asia.
 - India and Bangladesh have **facilitative trade agreement**. Both are members of the Asia Pacific Trade Agreement (APTA), SAARC Preferential Trade Agreement (SAPTA) and the Agreement on South Asian Free Trade Area (SAFTA) which govern the tariff regimes for trade.
 - Steps have been taken including reduction in customs and immigration documents, establishment of **49 land customs stations, integrated check posts** etc.
- **Investment opportunities:**
 - Cumulative **Foreign Direct Investment** from India to Bangladesh has more than doubled from USD 243.91 million in 2014 to USD 570.11 million in December 2018.
- **Connectivity:** Through **Protocol on Inland Water Transit and Trade (PIWTT)**, India is assisting Bangladesh to capture the potential of waterways for both inter and intra border connectivity of Bangladesh.
- **Energy: Rooppur atomic energy project**, is an Indo-Russian project in Bangladesh. Under it, India will provide **personnel training, consultation support and participate in the construction and erection activity** and non-critical materials supply to the site in Bangladesh.
 - India currently **exports 660 MW of electricity**, on a daily basis, to Bangladesh.
- **Defence:** Through defence cooperation framework pact, India is providing **Military equipment and technology transfer** for enhancing cooperation in the field of strategic and operational studies.
- **Space and technology: South Asian Satellite (SAARC Satellite)** has been launched to boost regional connectivity in the areas of disaster management, tele-education, tele-medicine inter-government networks etc.

- India has extended **National Knowledge Network** for digital connectivity of education with Bangladesh.
- **Development Cooperation:** Bangladesh is **the biggest development partner** of India today. India has extended 3 Lines of Credits (LOCs) to Bangladesh in the last 8 years amounting to **USD 8 billion**.

Cultural ties

- In the last meet **joint declaration** called for celebration of **Mahatma Gandhi's birth anniversary (2019)**, **birth centenary of Bangabandhu Sheikh Mujibur Rahman (2020)** and **50 years of Bangladesh War of Liberation (2021)**.

Challenges in relationship

- **River disputes:** India shares 54 trans-boundary rivers with Bangladesh. Some of the major disputes include: Teesta River water sharing issue, Tipaimukh Hydro-Electric Power Project on the Barak River, Ganga river dispute etc.
- **Illegal immigrants:** The **National Register of Citizens (NRC)** has left out 1.9 million Assamese from the list with a group labelled as **"illegal immigrants from Bangladesh"** living in Assam post-1971. Bangladesh remains firm in its stance that no migrants travelled to Assam illegally during the 1971 war of independence and that the controversial NRC risks hurting relations.
- **Border Management:** The Indo-Bangladesh **border is of porous nature** which provides pathway for smuggling, trafficking in arms, drugs and people and cattle.
- **Delay in project execution:** As of 2017, India had extended three lines of credit worth approximately \$7.4 billion. However, **less than 10% of the cumulative commitments have been disbursed** so far.
- **China factor:** China sees Bangladesh as **strategic focal point to make inroads into South Asia** as an alternative to India.
- **Increasing radicalisation:** Presence of groups like Harkat-alJihad-al-Islami (HUJI), Jamaat-e-Islami, and HUJI-B fuel Anti-India sentiments in Bangladesh. Their propaganda could spill across border.

Conclusion

Deepening relationship with Bangladesh has become a necessity in the face of shifting geo-economics. Bangladesh, with its growing economic success, and with its 8 percent growth rate provides a vital partnership in the region. There is scope for India-Bangladesh ties to move to the next level, based on **cooperation, coordination and consolidation** as Prime Minister has termed the present period of relationship between the two countries as **'Sonali Adhyay'** (golden chapter).

1.3. INDIA NEPAL

1.3.1. INDO-NEPAL TERRITORIAL DISPUTE

Why in news?

Nepal unveiled a new political map that claimed strategically important land Kalapani, Limpiyadhura and Lipulekh of Uttarakhand as part of its sovereign territory.

More about news

- The map is in **retaliation of Nepal's objection to construction of road by India** from Dharchula to Lipulekh in Uttarakhand.
 - This road connects **close to the Line of Actual Control** and opens a new route for Kailash Mansarovar yatra via Lipulekh pass.
 - This **will help pilgrims** to avoid dangerous high-altitude routes through Sikkim and Nepal.
- India termed recent action by Nepal as a **'unilateral act'** which is not based on historical facts and evidence and also stated that these areas have always been part of the Indian Territory.



- Also, after the reorganisation of Jammu and Kashmir, India had published a new map in November 2019, which showed the region of Kalapani as part of the Indian territory.
- The new map—and the consequent objection from Nepal—brought forth the **unresolved border disputes between the two countries.**

About Indo-Nepal Territorial Dispute

- The disagreements between India and Nepal over the border dispute is over the regions which includes **Kalapani, Lipulekh, Limpiyadhura (all three in Uttarakhand) and Susta (Bihar).**
- **Kalapani area is the largest territorial dispute between Nepal and India** consisting of at least 37,000 hectares of land in the High Himalayas.



- It is located in the easternmost corner of Uttarakhand's Pithoragarh district.
- It is a **tri-junction between India, China and Nepal** which is of strategic significance in South Asian diplomacy.
- **Susta in Bihar is on the banks of River Gandak.** The changing course of River Gandak often created issue between two countries.
- **Nepal considers the 1816 Treaty of Sugauli** (signed between Gurkha rulers of Kathmandu and the East India Company) as the only authentic document on boundary delineation.
 - Under the provisions of the Sugauli Treaty, Nepal lost Sikkim, Kumaon, Garhwal and Western Terai (Flat) area. River Mechi became the eastern border with India while the river Kali (called Mahakali in Nepal) was demarcated as the north-western border.
 - ✓ The Treaty of Sagauli also defined **Gandak as the international boundary** between India and Nepal.
 - Nepal considers the source of Kali river near Limpiyadhura, which is higher in altitude than the rest of the river's flow. Thus, all the three areas **Limpiyadhura, Lipulekh and Kalapani** are considered to the east of the river Kali.
- **India** on the other hand says the border begins at Kalapani which India says is where the river begins.
 - Kali originates in springs well below the Lipulekh pass, and the Sugauli treaty does not demarcate the area north of these streams.
 - Administrative and revenue records going back to the nineteenth century show that Kalapani was on the Indian side.
 - **India has controlled this territory since 1950s** and built other infrastructure here before, besides conducting its administration and deploying military forces up to the border pass with China.
 - China in 2015 statement also recognised India's sovereignty over the area by agreeing to expand trade through the Lipulekh pass.

India Nepal Border

- India and Nepal share an approximately an 1,800-kilometre long open border running along **West Bengal, Uttar Pradesh, Bihar and Sikkim.**
- It was after the **Peace and Friendship Treaty of 1950** that the two countries encouraged a well-identified and formally accepted "open border" between them.
 - An "open border" means that there is free and unrestricted movement of people from either side.
 - Open border has led to better social and trade connectivity between the two countries leading to what is called 'roti-beti ka rishta'.

Issues in settling border dispute:

- **China factor:** The recent political map issued by the Nepal Government is seen to be the influence of China due to the two Communist governments and emerging close relations between them.
 - China opening port facilities to Nepal and providing access to Trans Himalayan Railway reduces Nepal's dependency on India and reduces the leverage that India has with the Nepal to settle the dispute.

- **Interpretation of the boundary:** The dispute is mainly because of the varying interpretation of the origin of the river and its various tributaries that slice through the mountains.
- **Big Brotherly attitude:** India's Big Brotherly attitude towards Nepal has created a sense of insecurity in the Nepalese government and its citizens and any settlement would be seen as a weakness.
- **Nepal internal politics:** also pose problems as political parties flip from pro-India positions to anti-India positions.

Conclusion

The Kalapani dispute must be resolved expeditiously and earnestly, to the mutual satisfaction of both sides. **A Joint Boundary Demarcation Committee** could be appointed by both the countries to scientifically study the Maps and come to a conclusion diplomatically.

1.3.2. NEPAL CHINA CONNECTIVITY DEAL

Why in news?

China and Nepal signed agreements for all-weather road connectivity between Kathmandu and the Tibet Autonomous Region under the Trans-Himalayan Multidimensional Connectivity Network.

Reasons behind Nepal's growing proximity with China

- **Dependency on India-** Because of its geographical constraints, Nepal has found itself heavily reliant on India, never acquiring the comparative advantage to increase exports.
- **Negative perception about India-** formed owing to following events-
 - Nepal's reservations towards India, due to the perceived treaty-based unequal treatment, the open border has always been a crucial area of contention.
 - India's delay in implementation of various projects in Nepal more so vis-a-vis China and its implementation of agreed-upon projects. E.g. Mahakali agreement has remained without start for over two decades.
- **Potential benefits from China-** Nepal's need for China far outweighs any potential challenges in the Sino-Nepal relationship.
 - Nepal views the Chinese railway as an opportunity to bring Chinese pilgrims and tourists to Lumbini, the birthplace of the Buddha, and to the popular valley of Pokhara.
 - The Chinese railway can help enhance Nepal's overall economic capacity.
- **Ideological basis-** The communist parties in Nepal have favoured and consistently protested against India. This time around the Nepali Congress also favoured them.

Possible implications for India

- **Erosion of buffer state-** In the case of an India-China war, it is uncertain whether Nepal will take India's side as per the spirit of the 1950 treaty.
- **Effect on other neighbours-** including Bhutan, which also has faced similar circumstances with both India and China.
- **Impact on regional groupings-** Growing China-Nepal relations may become a hurdle in regional groupings like BIMSTEC in which Nepal holds a significant voice.

Way Forward

- Nepal cannot dispense with its reliance on India. India is and will remain vital for the country in many ways. However, India's strategy to keep Nepal's engagement with China to a minimum is no longer a viable option.
- India must introduce new economic, developmental and infrastructure initiatives with Nepal that will not only bring tangible benefits to Nepali citizens but also address the vulnerabilities that will emerge in Nepal as the country engages with China.

1.4. INDIA-SRI LANKA

Why in news?

Sri Lankan President Gotabaya Rajapaksa visited India, signalling Sri Lanka's intent to deepen bilateral ties with India.

Contemporary driving forces in Indo-Lankan Relations

Indian interests in Sri Lanka are driven by important factors, including post-war reconciliation and respect for the dignity of the Tamil minority in Sri Lanka and its cultivation of ties in its immediate neighbourhood and the wider Indian Ocean.

- **Commercial/Trade Relations:**
 - India is Sri Lanka's largest trading partner globally, while **Sri Lanka is India's second largest trading partner in the SAARC.**
 - Trade between Sri Lanka and India has grown rapidly after the entry into force of the **Indo-Sri Lanka Free Trade Agreement in March 2000.**
- **Developmental Cooperation:**
 - Sri Lanka is one of the major recipients of development credit given by India. For e.g. Under a line of credit of \$167.4 million, the tsunami-damaged Colombo-Matara rail link has been repaired and upgraded.
- **Economic and Infrastructure cooperation:**
 - India signed MoUs to develop **Trincomalee port** and oil tank farms, and LNG terminals in Kerawalapitiya near Colombo.
 - **Joint India-Japan agreement** to develop the East Container Terminal at Colombo harbour, and other projects like the offer to operate the **Mattala Airport.**
 - Building infrastructure in the Northern and Eastern Provinces, including upgrading the **Jaffna-Colombo rail track** and other railway lines, providing electricity transmission lines for power imports from India, and rebuilding the **Kankesanthurai port.**

Major challenges in Indo-Sri Lanka relations

- **China factor in India-Sri Lanka relation:** In terms of being the platform for India-China strategic competition, Sri Lanka has endorsed China's flagship connectivity project, the Belt and Road Initiative (BRI).
 - It is also, one of the important nodes for China's maritime strategy.
- **Ethnic issue:** It is the prolonged conflict between the Sinhala majority and Tamil minority in Sri Lanka that has severely undermined bilateral ties in recent decades. The issue also involves war-crimes probe and accountability issues in Sri Lanka.
- **Fishing Disputes:** Given the proximity of the territorial waters of both countries, especially in the Palk Straits and the Gulf of Mannar, incidents of straying of fishermen are common.

Conclusion

- Gotabaya's assurances on some issues of special interest to India, is a **good occasion to build mutual trust.** India-Sri Lanka are ready for a fresh start - looking at a more balanced and productive relationship.
- The challenge for Sri Lanka is to be mindful of the sensitivities of its larger neighbour, while for India, it is about **respecting the sovereignty of its smaller neighbour.**
- These steps could include Sri Lanka's confidence building measures with the Tamils, greater cross-border economic cooperation as well as between northern Sri Lanka and Tamil Nadu, and political investment in resolving the fisheries dispute.

1.5. INDIA-MALDIVES

Why in news?

India announced a slew of new connectivity measures for the Maldives to help the island nation deal with the economic impact of the COVID-19 pandemic.

More on news

The announced projects include:

- An **"air bubble agreement"** for travel, a direct ferry service and a submarine cable for telecom connectivity.

Air bubble agreements

- "Transport Bubbles" or "Air Travel Arrangements" are **temporary arrangements between two countries** aimed at restarting commercial passenger services when regular international flights are suspended as a result of the COVID-19 pandemic.
- They are **reciprocal in nature**, meaning airlines from both countries enjoy similar benefits.
- India signed air bubble agreements with **various countries including**, Afghanistan, Canada, France, Germany, Maldives, Qatar, United Arab Emirates, United Kingdom, USA etc.

- US \$500 million assistance to provide **assistance for the Greater Male Connectivity project (GMCP)** to connect Male to three neighbouring islands - Villingili, Thilafushi and Gulhifahu islands. GMCP would be the largest civilian infrastructure project in Maldives.
- **US \$400 million Line of Credit (LoC)** comes in addition to a previous LoC of \$800 million that was announced in 2018.

Strategic Importance of Maldives

- Maldives lies in close **proximity to the west coast of India** and its potential to allow a third nation's naval presence in the area imbues it with significant strategic importance to India.
- **Maldives is situated at the hub of commercial sea-lanes** running through the Indian Ocean. More than **97% of India's international trade by volume and 75% by value** passes through the region.
- India has the ambition to be **'Net-security provider'** in Indian Ocean region and this calls for **close military and naval ties with Maldives** so that India protects its own interests as well of its neighbours in the Indian Ocean region.
- China is **rapidly expanding its footprint in the Maldives** though it opened an embassy in the island nation only in 2011. Thus, it **becomes geo-politically and strategically important** for India to maintain its presence in Maldives.



Overview of India-Maldives relations

- **Economic relations**
 - India and Maldives signed a **trade agreement in 1981**, now bilateral trade stands at US\$ 288.99 Million (2018) heavily in favour of India.
- **Defence Cooperation**
 - India provides the largest number of training opportunities for Maldivian National Defence Force (MNDF), **meeting around 70% of their defence training requirements.**
- **Development Assistance**
 - Major completed development assistance by India include **Indira Gandhi Memorial Hospital**, Maldives Institute of Technical Education, Construction of National Police Academy etc.
 - **Grants for projects under High Impact Community Development Projects (HICDPs):** These include projects such as ambulances, Convention Centre, drug rehabilitation centre, police station upgradation, development of Addu Tourism zone etc.
 - India has provided large-scale assistance to Maldives in the **aftermath of the 2004 Indian Ocean tsunami** and during the **2014 Male water crisis under Operation Neer.**
- **People to people relations**
 - Indians are the **second largest expatriate community** in the Maldives. About 25% of Doctors and Teachers in Maldives are Indian nationals.
 - The **India Cultural Center (ICC)** in Male was inaugurated in 2011, which conducts courses in **yoga, classical music and dance.** Also, **Hindi commercial films, TV serials and music** are immensely popular in Maldives.

High Impact Community Development Projects (HICDPs)

- HICDPs are **projects with a high-level of community impact and participation** in areas of livelihood and income generation, health, education, gender and child empowerment, sports and sustainable development.
- India has also **signed HICDPs with other nations like Afghanistan, Bhutan etc.**

Challenges in India-Maldives Relations

- The Maldives' **reliance on China** to develop more than **US\$2.5 billion in infrastructure projects** and the resulting accumulation of foreign debt— **40 per cent of the country's GDP**, is a concern for India. These raises concerns about Chinese **debt-trap diplomacy.**

- **Political instability in Maldives** as democracy is yet to take a firm footing is a cause of concern as it will have impact on India's relations. E.g. in 2012 Maldives announced **termination of a USD 511 million project** with the Indian infrastructure company GMR Infrastructure Limited.
- Its political instability has challenged **overall security of the Indian Ocean by increasing radicalisation** —over 200 Maldivians reportedly joined the Islamic State —and by the granting of non-transparent permissions for foreign investment.

India's outreach to Indian Ocean Nations during COVID-19 pandemic

- India launched **Mission Sagar** to provide assistance to Indian Ocean Region Nations.
- Under this **INS Kesari** was dispatched for **Maldives, Mauritius, Seychelles, Madagascar and Comoros**, to provide food items, COVID related medicines.
- It is in consonance with the Prime Ministers vision of **Security and Growth for All in the Region 'SAGAR'**.
 - SAGAR vision was **enunciated by Indian PM in 2015**, which, among others, envisages **collective action and cooperation to advance peace and security** and respond to emergencies.

Way Forward

- Both countries need to enhance **regional cooperation** by using common platforms such as the Indian Ocean RIM Association and Indian Ocean Naval Symposium.
- While the recent **'India-First Policy' of the Maldives and India's 'Neighbourhood First Policy'** are intuitively complementary, implementing these policies with strategic sensitivity is of the utmost importance.

1.6. INDIA AFGHANISTAN

1.6.1. AFGHAN PEACE PROCESS

Why in news?

Intra-Afghan peace talks held for the first time between Afghan government and Taliban in Qatar.

About Afghan peace process

- The Afghan peace process comprises the **proposals and negotiations in a bid to end the ongoing war and conflict** involving the Taliban in Afghanistan.
- In February, 2020, **US president has struck a peace deal with the Taliban** (see box) on the issues of counterterrorism and the withdrawal of U.S. and international troops. The **intra-Afghan talks were part of the deal**.
- Though the deal was to be held in march-April 2020, it got delayed due to disagreement on mutual release of prisoners by both Taliban and Afghan Government.

Background of Afghan-Taliban issue

- The **Taliban emerged in the early 1990s** following the withdrawal of Soviet troops from Afghanistan, before the demise of the Soviet Union.
- Following terrorist attacks in the United States (US) in 2001, the **U.S., together with its NATO allies led a military campaign against Al Qaeda and the Taliban government** in Afghanistan that harbored and supported it.
- **The US engagement has continued for nearly 20 years**, but without a clear victory over the Taliban.
- **In the intervening time, an elected Afghan government has replaced the Taliban**, and most measures of human development have improved. But approximately a third of Afghanistan is still a "contested" area.



Concerns Ahead

- **Violence continuing unabated:** In the first six months of 2020, almost 1,300 civilians, and more than 3500 Afghan National Defense and Security Forces have been killed in Afghanistan, according to the United Nations.

- **Threat to human rights:** There are serious concerns considering the Taliban's track record in relation to human rights, especially violence against women and Shi'as and Hazaras was widespread under the Taliban regime.
 - The Taliban wants to reimpose its version of Islamic law as the country's system of governance. The armed group has, however, given *vague comments on adopting a less strict stance towards women and social equality than during their 1996-2001 rule.*

Highlights of the US Taliban Agreement

- **Withdrawal of foreign forces.** The United States agreed to reduce its number of troops in the country from roughly 12,000 to 8,600 within 135 days.
- **Release of prisoners-** The deal also provides for a prisoner swap.
- **Recognition to Taliban-** The US will move to the United Nations Security Council to remove Taliban members from the sanctions list.
- **Counter terror measures-** The Taliban would prevent any terror group from using Afghanistan to threaten the security of US and its allies.
- **Intra-Afghan Negotiations-** will be started among all the stakeholders of the Afghan society and the Taliban would commit towards it.

Way forward for India

- India reiterated its long-held support for an **"Afghan-led, Afghan-owned, and Afghan-controlled" peace process.** Also, India had laid down some **red lines** for the process-
 - All initiatives and processes must **include all sections of the Afghan society**, including the legitimately elected government.
 - Any process should **respect the constitutional legacy** and political mandate.
 - Any process should not lead to **any ungoverned spaces where terrorists and their proxies can relocate.**
- It has been India's stated policy that it will not engage with the Taliban, as it continues to see the fundamentalist group as being aided by Pakistan. However, **India's engagement with an ascendant Taliban, is important** for a number of reasons:
 - **Growing international legitimacy and credibility of Taliban:** A noticeable change in the Taliban's external engagement can be seen in its links with Pakistan and also with its erstwhile adversaries, especially Iran and Russia, and its contact with China.
 - Establishing diplomatic contacts with a politically empowered Taliban will be **crucial to safeguard New Delhi's existing and future economic interests** in the country.
 - An amicable relationship with the Taliban **will provide India with some leverage over Afghanistan's future.**
 - The **militant arm of the Taliban—the Haqqani network—continues to be staunchly anti-India** and maintains close ties with Pakistan's ISI.
 - Another security threat has been the **growing presence of the Islamic State-Khorasan** in Afghanistan and surrounding areas.

Why the war has lasted for so long?

- **Fierce Taliban resistance-** which did not allow the NATO forces to eliminate them. This was further accentuated due to limitations of **Afghan forces and governance.**
- **Reluctance of other western countries-** to keep their troops for longer in Afghanistan.
- **Lack of political clarity in US Strategy-** which has raised questions about its effectiveness over the past 18 years.
- **Each side was trying to break the stalemate-** and the Taliban had been trying to maximise their leverage during peace negotiations.
- **Increasing terror attacks-** such as by the Islamic State militants in Afghanistan, who have been behind some of the bloodiest attacks in recent past.
- **Role of Pakistan-** as Taliban has their roots in Pakistan, and they were able to regroup there during the US invasion due to Pakistan's help.

The interests of different countries

Pakistan: Once the mainstay of the Taliban, in the aftermath of the 9/11 terrorist attacks Pakistan joined the US 'War on Terror', a U-turn from its previous position on the Taliban. While Pakistan did re-establish links with the Taliban in subsequent years, until recently, many of their dealings were covert.

Russia and Iran: The Taliban has proven itself a capable force against the Islamic State-Khorasan, whose emergence is of concern to both Iran and Russia.

China: Engagement with China is critical for the Taliban to enhance its diplomatic reach in the region.

Conclusion

An inclusive peace process, involving the meaningful participation of women, youth and victims, upholding the human rights of every Afghan is the only path to peace. While each country seeks to align its engagement policy to its respective strategic objectives, the overarching goal for all is peace in Afghanistan.

A consensus among major international stakeholders about how to deal with the Taliban is of utmost importance.

1.7. INDIA PAKISTAN

1.7.1. TERROR ACTIVITIES AND MUTUAL DISTRUST IN INDIA-PAKISTAN RELATIONS

Why in news?

The recurrent terror attacks on Indian security forces from across the border has led to the India-Pakistan tensions on an all-time high in the near past.

Background of Terrorism in India-Pakistan Relations

- Stemming from the two-nation theory of Pakistan, the conflict of control over Jammu and Kashmir has led to multiple wars and skirmishes between the two countries.
- But, this two-nation theory was debunked after 1971, when Bangla speaking Muslim population formed a new country of Bangladesh.
- After 1971, Pakistan changed the course. This military incapacity of Pakistan, led it to change the course in fighting an asymmetric warfare against India. The Pakistani deep state (The Army and the ISI) nurtured terror as a state policy to deal with India.
- This policy has resulted in a mutual distrust between the two nations.
- Whenever, the governments of two nations have tried to indulge in confidence building measures (Bus Diplomacy, Sports, Summits, Kartarpur Corridor), the cross-border terror activities have derailed such Indo-Pak dialogue.

Terror as a State Policy of Pakistan

- Deep State in Pakistan has nurtured Islamic Radical Groups (Mujahideens) as strategic assets to be used against its adversaries.
- This strategy was increasingly adopted after the success of US-funded Mujahideens in Afghanistan against USSR.
- There are primarily three types of such groups
 - **Ones which act against India**- e.g. Lashkare-taiba, Jaish e mohammed.
 - **Ones who act against Afghanistan**- e.g. AlQaeda and Taliban
 - **The Pakistani Taliban** (Tehreek-e-TalibanPakistan)- this group has become rogue and fighting against the Pakistani establishment itself.
- **Lack of Terror Crackdown**- Pakistan has remained in denial mode and taken sham actions on its terror assets to avoid international pressure.
- Also, Pakistani State does not have the capacity to deal with them militarily, if armed rebellion takes place since these groups have certain constituency in Pakistan.

Measures taken by India to deal with Pak- sponsored terrorism

- **Military Efforts:** India has conducted strikes on terror camps in 2016 and 2019. Also, the state has launched the Mission All Out to liquidate all the terrorists in the Jammu and Kashmir.
- **Economic Efforts:** Indian government has withdrawn "Most Favoured Nation" or MFN status accorded to Pakistan.
- **Strategic Shift:** India made an unprecedented direct reference to Baloch freedom struggle in the PM's Independence Day speech.
- **Diplomatic Efforts**
 - All major countries including America, Russia, France, U.K and Australia have supported India on its counter-terror activity. Saudi Arabia and Organization of Islamic Countries also supported India's stand on terror.
 - India has started to completely utilize its share of water under the Indus Water Treaty, by building dams in Jammu and Kashmir.
 - In 2016, after the Uri Attack, India successfully isolated Pakistan in the 19th SAARC summit. Since then, no SAARC meeting has happened.
- **International Measures on Terrorism:** India has been pushing for the adoption of universal definition of terrorism and steps needed to tackle it under the Comprehensive Convention on International Terrorism (CCIT).

Impact of Pakistan sponsored terror activities

- **Holdback regional peace and security:** People-to People Contact remains low and the region has become a hotbed for even a nuclear showdown.
- **Roadblock in SAARC and trade:** The South Asian Sub-continent remains deprived of regional trade, market access and prosperity on the lines of European Union and other blocs, due to Pakistan's obstructionism and terror politics.
- **Diversions of resources towards arm procurement:** With both the countries entering into an arms race, resources are diverted which could have been used to address other human demography challenges in the region such as poverty, diseases etc. For instance, in the period of 2000-2016, Jammu and Kashmir got Rs. 1.14 trillion in grants and much of it went for security.
- **Small constituency being able to hold back majority interests,** which includes Pakistan's deep state and small section in Kashmir Valley that ends up driving the overall discourse in the region.
- **Rising discontent in the region,** due to lack of development in the region which creates a vicious cycle whereby youth from this region becomes more vulnerable towards radicalism.

Issues in dealing with Pakistan's terror infrastructure

- It is difficult to completely isolate Pakistan in the international community for long time, because it has:
 - Large population
 - Nuclear Capabilities
 - Certain Islamic nations backing Pakistan
- The organs of Pakistani state, be it the Executive or the Judiciary or the Civil Society- have been overshadowed by its deep state. Whenever in the past, any of the other organs tried to stand, they have been crippled by the deep state.
- The illness of its Deep State run so deep, that it has become incurable. If nuclear weapons come in the hands of Terror groups, it may become a danger for international peace.

Need to take a multi-pronged strategy towards terror infrastructure

- **To deal with Pakistan based terror**
 - **Inflict Costs of Terrorism:** A consistent policy must be evolved, where the Pakistan deep state bears the brunt of sponsoring terror against India, as done in Air Strikes in Balakot.
 - **Alert Defence Architecture:** Indian defence forces have to keep the tempo up at all levels, be it at the Line of Control, Jammu and Kashmir or any other region.
 - **Economic Measures:** Pakistan has large foreign debt with a small foreign exchange reserves. If, the FATF downgrades Pakistan to black list, its financial condition will be crippled. This pressure must be kept on Pakistan.
 - **Talk with Pakistan's all-weather allies:** Need to talk with countries like China, Saudi Arabia, Turkey on India's stand on terror, be it on banning terrorists or working on counter-terror activities.
- **To improve India's counter-terror capabilities**
 - **Kashmir Outreach:** Further increase the democratization process, employment opportunities under schemes like Udaan, talks with radicalized youth.
 - **Intelligence Gathering:** Need for comprehensive intelligent reforms with focus on creating synergies among various agencies, forces and people.
 - **NCTC:** Consensus needs to be formed on National Counter Terrorism Centre (NCTC), which will work as a federal anti-terror agency, as proposed after 2008 Mumbai attacks.
 - **De-radicalization:** Given the dangers of ISIS, lone wolf attacks, a national effort on de-radicalization needs to be taken up. Some states like Maharashtra, Karnataka have taken some steps in this direction.
 - **Hit Terror Financing:** All sources of money, which are used to fund terror activities, need to be dried.

1.7.2. GILGIT BALTISTAN

Why in news?

Pakistan granted **provisional provincial status** to Gilgit-Baltistan region.

About Gilgit Baltistan (GB) region

- The region was a part of erstwhile **princely state of Jammu and Kashmir**
- It has **been under** Pakistan's control since 1947, following invasion of Kashmir by tribal militias and Pakistan army.

- It was renamed as **‘Northern Areas of Pakistan’** and put under direct control of Pakistan federal government through since 1949.
- Till now, it **was neither independent, nor does it have provincial status**. It was treated as a separate geographical entity by Pakistan.
- With current change, it will be **fifth province** and integrates GB with rest of federal structure of Pakistan by legislative, judicial and administrative measures.
 - Baluchistan, Khyber-Pakhtunkhwa, Punjab and Sindh being other four provinces of Pakistan.

India's stand

- India said that entire **Union Territories of Jammu and Kashmir and Ladakh, including areas of Gilgit and Baltistan**, are **“integral part of India”**.
- India's **parliamentary resolution of 1994** reaffirmed that this region is a “part of State of Jammu and Kashmir, which is an integral part of India by virtue of its accession to it in 1947”.

Importance of Gilgit Baltistan region

- **Strategic Location:** GB lies at intersection of Indian Subcontinent, Central Asia and China.
- **Large Territory:** Territory of GB is **more than five times larger** than Pakistan occupied Kashmir. It consists of two ethno-geographically distinct territories: Baltistan, which was part of Ladakh, and Gilgit.
- **Water and energy Security:** GB is also significant due to its water and energy resources. Before entering Pakistan, **Indus River passes through GB**.
 - Important glaciers like **Siachen Glacier** are located in GB. **Hydro-electric potential** of Indus River makes it vital for energy security as well.
- **Chinese Interference:** **China–Pakistan Economic Corridor** is passing through GB making India more reluctant to join multinational transport and infrastructure corridor projects sponsored by China.
- Also, the current **change in status of GB is seen as realization that Line of Control has attained a status quo**.

1.7.3. DEVELOPMENT PROJECTS IN PAKISTAN OCCUPIED KASHMIR

Why in news?

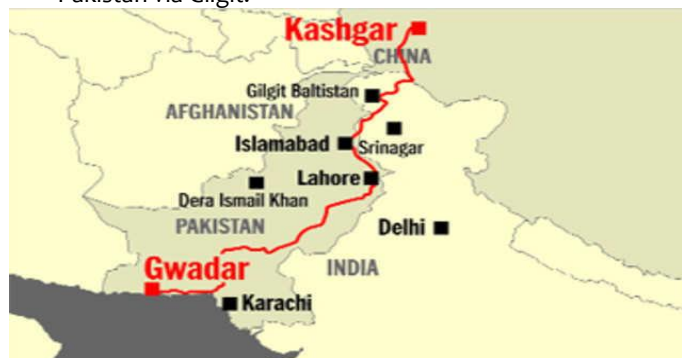
China, under the **China Pakistan Economic Corridor (CPEC)** will set up a 1,124-megawatt **Kohala Hydro-power project** in Pakistan-occupied Kashmir (PoK) despite India's objection to it.

Impact of Chinese projects in PoK on India

- **Third party in Kashmir solution:** The permanent presence of Chinese in PoK is likely to ‘harden’ the positions of India and Pakistan and preclude their finding a solution to the Kashmir issue, as China has automatically got entangled in what was a bilateral dispute.
- **Two front war:** India has been wary of the threat posed by Pakistan-China collusion in the event of a confrontation with either of the countries.
 - The presence of Chinese troops in such close proximity, on a permanent basis, exacerbates the threat of ‘two front’ war.
- **Mobility of defence equipment by Pakistan:** The widening of the Karakoram highway and its increased load capacity will improve mobility in switching forces and the movement of weapons, armaments, improving the defence posture of Pakistan vis-a-vis India.

Other Chinese Projects in PoK

- China has signed a contract with Pakistan to construct **Diamer-Bhasha Dam**, a concreted-filled gravity dam on the **River Indus in Gilgit-Baltistan Region**.
- China is also building **Azad pattan Dam** on Jhelum River in Azad Kashmir in PoK.
- **Expansion of the Karakoram highway inn Gilgit-Baltistan(G-B)** by China Roads and Bridges Corporation, a Chinese firm currently blacklisted in Turkey and Malaysia is using devastating environmental practices.
- **Railway line** between Kashgar in China to Gwadar in Pakistan via Gilgit.



- **Strategic connectivity to China:** Geographically, the Gilgit-Baltistan region forms a strategic conflux, situated in the heart of Asia. This gives a strategic advantage to China in connectivity to all parts of Asia.
- **Disasters:** Any construction taking place in this region may invite some unwanted stress on the nature causing floods, landslides, earthquakes, which may affect the areas in Jammu and Kashmir.

Way Forward

- **Robust policy on PoK:** India should stop making intermittent and tentative overtures and instead adopt a robust policy on PoK.
- **Infrastructure development along LOC:** India should increase its defence and civil infrastructure along Line of Control to strategically counter any threats from combined forces of China and Pakistan from PoK.
- **India China Silk Route to counter CPEC:** India needs to work on its own counter strategy by offering a plan for a direct India-China Silk Route Corridor (ICSRC) that could run along the traditional Ladakh-Xinjiang axis.
 - India could offer several other alternate outlets for China through the Northeast or Sikkim that are nearer to Chinese growth centres.

1.8. REGIONAL COOPERATION IN SOUTH ASIA

1.8.1. SAARC REVIVAL

Why in News?

There have been various calls, including by Sri Lanka's former Prime Minister, for **revival of SAARC** for better regional integration and development of the region.

Background of current scenario

- The last SAARC summit was held in 2014 and **subsequent summits could not be held after 2016** Summit scheduled in Pakistan got cancelled in the backdrop of terrorist attacks in **Pathankot and Uri**.
 - In 2016, India along with Afghanistan, Bangladesh, Bhutan, Maldives and Sri Lanka declined from participating in the Islamabad SAARC summit.
- In **SAARC Minister's Meeting 2019**, both countries' ministers boycotted each other's speeches.
- In the regional outreach of BRICS summit of 2016, rather than SAARC, BIMSTEC leaders were invited giving message that BIMSTEC (of which Pakistan is not a member), has come to be flaunted as an alternative to SAARC.

About South Asian Association for Regional Cooperation (SAARC)

- Established with the signing of the SAARC Charter in Dhaka in 1985. Its secretariat is in Kathmandu, Nepal.
- **Objectives:** To promote the welfare of the people of South Asia and to improve their quality of life, and to accelerate economic growth, territorial integrity, mutual trust and benefit etc.
- **Members:** Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

Other initiatives for regional/ subregional cooperation in South Asia

South Asia Cooperative environment Programme (SACEP)

- Aims to **promote and support protection, management and enhancement of the environment** in the region, formed in 1982.
- **Member countries:** Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

South Asia Seas Programme (SASP)

- It is a regional agreement adopted in 1995 – among the five maritime countries of South Asia, **Bangladesh, India, Maldives, Pakistan and Sri Lanka**, sharing the Indian Ocean.
- It aims to **protect and manage the marine environment and related coastal ecosystems of the region** in an environmentally sound and sustainable manner.

South Asia Sub-regional Economic Cooperation (SASEC) programme

- SASEC program was formed in 2001 in response to the request of the Bangladesh, Bhutan, India and Nepal – from Asian Development Bank (ADB) to assist in facilitating economic cooperation among them.
- It is a **project-based partnership** to promote regional prosperity by improving cross border connectivity, boosting trade among member countries and strengthening regional economic cooperation.

Bangladesh, Bhutan, India and Nepal (BBIN) Motor Vehicles Agreement (MVA)

- It was signed in 2015 for **regulation of passenger, personnel and cargo vehicular traffic** between the four BBIN countries.

- India, Nepal and Bangladesh have ratified the Agreement while **Bhutan failed to get its Parliament's nod** to ratify the same. It has some reservations about its environmental impact owing to increased traffic of heavy-duty vehicles.
- India, Nepal and Bangladesh have ratified the Agreement while **Bhutan failed to get its Parliament's nod** as it has some reservations about environmental impact owing to increased traffic of heavy-duty vehicles.
- **Under SASEC programme**, ADB has been providing technical, advisory, and financial support to this initiative.

The need for revival of SAARC

- **SAARC**, as an organisation, reflects the **South Asian identity of the countries**, historically and contemporarily. It has geographical identity. Equally, there is a cultural, linguistic, religious and culinary affinity that defines South Asia.
- **South Asian** countries are closely tied in their socio-political state as they face similar traditional as well as emerging issues like **terrorism, energy shortage, hydro-politics, climate change** among many others. SAARC can be a platform for starting dialogue for timely addressal of these issues.
- **BIMSTEC can complement but not replace SAARC** as there is a huge difference in both. SAARC has had 18 summits in the 32 years of its existence and it has an extensive network of mechanisms, regional centers and conventions as well as a permanent Secretariat. On the other hand, the BIMSTEC has recently got momentum and yet to find its role.
- **Attraction towards other groupings:** If SAARC becomes redundant there may be possibility that other neighbouring countries may join SCO, as many have applied for or already have observer status.
 - If India loses its clout in this region, then it will be a critical setback to its aspirations for a global role.
- **Economic integration:** As per world Bank report, with intra-regional trade at less than 5% of total trade, South Asia is the **least integrated** region in the world, dwarfed by East Asia's 35% and Europe's 60%. SAARC is critical for economic integration of the region.
- **Neighbourhood first policy** of which SAARC could become the central pillar, and for India to play global role, **its regional is the pillar for** If we are waiting for the Asian century, South Asia shouldn't remain fragmented.

Failures and challenges of SAARC

- **South Asia Free Trade Agreement (SAFTA) that came into force in 2006** is often highlighted as a prominent outcome of SAARC, but given the presence of sensitive lists, it is **yet to be implemented** in spirit.
- Pakistan's non-cooperation has stalled some major initiatives under SAARC. For example: **SAARC- Motor Vehicles Agreement (MVA) and SAARC satellite project** (replaced with BBIN-MVA and South Asia satellite respectively).
- **SAARC does not have any arrangement for resolving disputes** or mediating conflicts.
- **Security cooperation:** There is a lack of consensus on threat perceptions. For instance, while cross-border terrorism emanating from Pakistan is a major concern for India, Pakistan has failed to address these concerns.
- **Asymmetry between India and other member countries:** They perceive India as "Big Brother" and have been reluctant to implement various agreements under SAARC.
- SAARC faces a **shortage of resources**, and countries have been reluctant to increase their contributions.

To face such challenges, the South Asian countries must cooperate. The **European and ASEAN experience** is testimony to the contribution of regional cooperation in the economic growth of the countries.

Way Forward

- To make SAARC more effective, the **organisation must be reformed and member countries must reach a consensus** regarding the changes required. So, first step should be to setup a mechanism for **informal discussions, formal mediation and resolution mechanisms** tailored to the region's specific needs and problems
- Sri Lanka's former Prime Minister proposed '**Economic Integration Road Map (EIRM)**': a "sub-region", consisting of the five southern States of India and Sri Lanka, to tap the total population of 300 million people and a combined GDP of over \$500 billion.
 - Addressing para-tariffs and non-tariff barriers for successful regional integration, tapping e-commerce and enhancing tourism were crucial to such a road map.
- Expediting subregional cooperation projects like Bhutan, India and Nepal (BBIN) on the BBIN Motor Vehicles Agreement (MVA) would help in continuing cooperation, boosting trust among members.

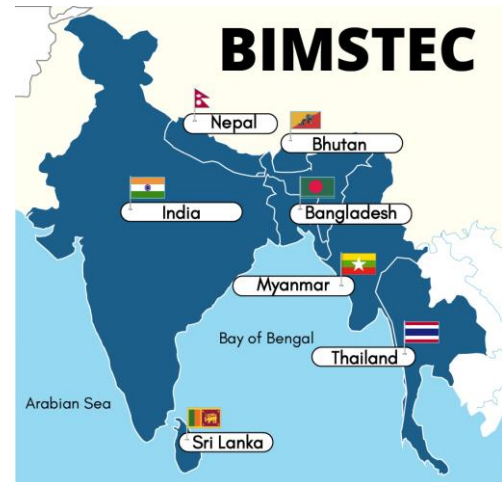
1.8.2. BAY OF BENGAL INITIATIVE FOR MULTI-SECTORAL TECHNICAL AND ECONOMIC COOPERATION (BIMSTEC)

Why in News?

BIMSTEC Secretariat has finalized BIMSTEC charter after 23 years of its inception.

More in News

- Charter is due to be signed in fifth summit, scheduled for January next year at Sri Lanka.
- Charter is expected to
 - **define a long-term vision and priorities for cooperation,**
 - clearly delineating roles and responsibilities of different layers of institutional structure and
 - define decision-making processes.
- In absence of a dedicated charter, BIMSTEC is **running with the spirit of Bangkok Declaration of 1997** which:
 - is not comprehensive in nature.
 - does not account for the changed geo-political scenario as it was signed way back in 1997.



About BIMSTEC

- BIMSTEC **was established in 1997 as BIST-EC with four countries: Bangladesh, India, Sri Lanka and Thailand.**
- It was named BIMSTEC in 2004 after **Myanmar (1997), Nepal (2004) and Bhutan (2004)** joined it.
- 1st Summit meeting was held in Bangkok in 2004.
- **Its Secretariat is located in Dhaka, Bangladesh.**
- BIMSTEC region is home to around 1.5 billion people which make up for around 22% of the world's population. The region has a combined gross domestic product (GDP) of \$2.8 trillion.
- **Founding principles:** cooperation within BIMSTEC will be based on respect for the principle of sovereign equality, territorial integrity, political independence, non-interference in internal affairs, peaceful co-existence and mutual benefit.
- **Areas of Cooperation:** BIMSTEC has identified 14 priority areas where a member country takes lead.
 - **India is lead country for** Transport & Communication, Tourism, Environment & Disaster Management and Counter Terrorism & Transnational Crime.
 - The charter recategorizes the cooperation in 14 fields to 7 sectors:
 - ✓ Trade, Investment & Development,
 - ✓ Environment and Climate Change,
 - ✓ Security,
 - ✓ Agriculture and Food Security,
 - ✓ People-to-People Contact,
 - ✓ Science, technology & Innovation,
 - ✓ Connectivity.

Significance of BIMSTEC for India

- **Economic:** BIMSTEC is fast becoming a significant trade bloc in Asia-Pacific. Its intra-regional trade is significantly higher than many other economic groupings in Asia-Pacific region except perhaps EAEG (East Asia Economic Grouping) and ASEAN (Association of South East Asian Nations).
 - Bay of Bengal is the route for about 25 per cent of global trade and has huge untapped natural resources such as natural gas.
- **Accelerate integration of South Asia:** With SAARC proving to be a “dysfunctional” grouping due to the bilateral dispute between India and Pakistan, BIMSTEC as a subregional grouping of South Asia provides an opportunity for India to integrate South Asia without Pakistan.
- **Connecting South Asia and Southeast Asia:** BIMSTEC is a bridge between South Asia and Southeast Asia. Leveraging BIMSTEC, India focus on connectivity projects in and around the Bay of Bengal region.
 - Physical connectivity with BIMSTEC would also help India integrate itself with ASEAN's Master Plan of Connectivity 2025.



- **Development of North eastern region:** A successful BIMSTEC Free Trade Agreement (FTA) can be instrumental in developing India's North Eastern region as a commercial and business hub for Southeast Asia.
 - The two Southeast Asian countries in the grouping, Myanmar and Thailand, have a crucial place for India's ambitious connectivity plans for northeastern region.
- **To counter Chinese influence:** China's influence and presence in India's neighbourhood has grown enormously through its Belt and Road Initiatives. India, through its economic engagement with Bay of Bengal littoral states will restrict Chinese influence in these countries.
- **Energy security:** BIMSTEC region has huge untapped reserve of natural gas, the future of power supply.
 - India, along with other BIMSTEC countries, is exploring energy opportunities at the Rakhine coast of Myanmar in the northern part of the Bay of Bengal.

Challenges with BIMSTEC

- **Lack of political will:** Dormancy that has beset the organisation for two decades is largely due to absence of effective and sustained political will among member countries.
 - Since 1997, BIMSTEC leaders met only four times at the summit level.
- **BIMSTEC FTA:** BIMSTEC adopted a framework to negotiate an FTA in 2004 and covered the following: (i) tariff concessions on trade in goods; (ii) Customs cooperation; (iii) trade in services; (iv) investment cooperation; and (v) dispute settlement. However, little progress was achieved in this regard.
- **Regional geopolitics:** There are concerns over regional geopolitics coming in the way of future projects. E.g. Nepal and Thailand did not participate in the **first BIMSTEC anti-terror military exercise** 2018 possibly due to China factor.
- **Perception of Indian hegemony:** Forum has the impression that it is an India-dominated bloc, a problem that India faced for a long time in SAARC too.
 - Bangladesh often fear that whenever India discusses connectivity, it means benefits only for India. Such fears & apprehensions question the basic fabric of BIMSTEC and foster mistrust, thus blighting any prospect of free movement of goods.
- **Physical Infrastructure:** BIMSTEC region is marred by poor road and rail connectivity, insufficient last-mile links and cumbersome customs and clearance procedures which hamper trade.
- **Absence of strong institutional framework:** BIMSTEC Secretariat, established in 2014 at Dhaka, has been unable to adequately contribute to the development of the organisation, and its negligible budget affects its capacity to perform a basic convening function.

Way Forward

- BIMSTEC should focus **less on geo-politics and more on common regional concerns** of economic and social development.
- Conclude FTA as early as possible. FTA can help in deepening cross-border production links among members and generate new value chains
- To make BIMSTEC further lucrative, there is **a need for increasing its membership base**. BIMSTEC should consider expanding its membership to Indonesia, Malaysia, and Singapore - the three major Asian powers
- **Empower the BIMSTEC secretariat with greater financial resources** enabling it to proactively drive the organization's agenda.

1.8.3. TRANS-BOUNDARY RIVER WATER MANAGEMENT

Why in news?

A new study highlighting **the impact of China's dams on the Mekong River** has brought to focus **Trans-boundary River Water Management** with neighbouring countries of India.

Need for Trans-Boundary Water Management

- **Dependency on rivers:** Globally, there are more than 260 river basins that are shared by two or more states, and there are 145 treaties in existence.
 - **More than 45 per cent** of the world's population lives in internationally shared river basins.
- **Water Scarcity:** Building of embankment dams and other structure on these rivers can lead to issue of water scarcity.

- The **Global Risk Report** identified the **water scarcity** as one and at the top of the biggest societal and economic risk to the world which could put 6% of GDP by 2050 in jeopardy.
- **Changing climate:** Over the next 20 years, perceptions of a **rapidly changing ecosystem** may **prompt nations to take unilateral actions** to secure resources and territorial sovereignty.
 - For India, **decreased snow cover** will affect the flows in the Indus, the Sutlej and the Brahmaputra – both originating from Tibet.
- **Spillover effects:** Trans-boundary water cooperation has spillover effects, contributing to political tensions, security and other foreign policy objectives.
- **Value addition to economy:** A better trans-boundary managed of rivers can be commercially used and are value addition like for agriculture, dam building and power generation.
- **Soft Power:** Rivers are an inseparable part of the identities, cultures, and religious perceptions of different peoples and hence the cooperation between the countries can also help in **soft power diplomacy**.

Major issues involved in Trans-Boundary River Management

- **Advantage of upper riparian states:** Some countries such as China have enormous power in trans-boundary rivers as it acts as an upper riparian state leaving other lower riparian countries thirsty.
 - Himalayas are called the “water tower” of South Asia. Most of India's northern rivers originate in Tibet. China's total control over Tibet results into water hegemony by it.
- **Regional imbalances:** Due to regional imbalances in power among the South Asian countries, mutual hostility, suspicion and the **absence of a universally binding international legal regime**, sharing trans-boundary rivers and simultaneously ensuring the health of the riparian ecosystem has become complex.
- **Federal issues:** Sometimes states play major role in Trans-boundary river disputes delaying the conclusion of agreements.
 - **West Bengal opposing the proposed Teesta Agreement** resulted into status quo between India and Bangladesh
- **Boundary disputes due to rivers:** Sometimes **rivers** also act as **boundaries between two nations**. Frequent change in the discourse of the river may even result into a boundary dispute E.g. India and Nepal separated by MahaKali River.

River Water Cooperation between India and neighboring countries

- **Indus Water Treaty (196):** It is an agreement on cooperation between **India and Pakistan** providing mechanisms to resolve disputes.
- **Indo-Bangladesh Joint Rivers Commission (JRC):** It was set up in 1972 by Treaty of Friendship, Cooperation and Peace. It was established with a view to maintain liaison in order to ensure the most effective joint effort in maximizing the benefits from common river systems between India and Bangladesh.
- **Ganga Treaty between India and Bangladesh, 1996:** is an agreement to share surface waters at the Farakka Barrage near their mutual border.
- **Koshi Agreement (1954), Gandak Agreement (1959), Tanakpur Barrage Agreement (1991) and Mahakali Treaty 1996:** These treaties have been signed between India and Nepal.
 - These treaties provided for different withdrawal rights and construction and sharing of hydropower energy.
- **India-Bhutan agreements:** The cooperation between both countries is one of the major success stories of Trans-boundary river water agreements.
 - India and Bhutan collaborated for the construction of **Chuka Dam on Wangchu River**. It helped Bhutan use low cost electricity and excess is sold to India which helped it improve its finances.
- **India-China Water Data Sharing** – In 2006, India and China had signed a pact under which China would share hydrological data from May 15 to October 15 every year for the Brahmaputra and Sutlej rivers. The two sides renewed the agreement in memorandums of understanding signed in 2013 and 2015.



- **Lack of data sharing** between countries creates even more confusion in domestic and international water governance.
 - China doesn't share the Brahmaputra river water data frequently with its lower riparian states.

Approach needed

- **Integrative approach:** All the trans-Himalayan co-riparian countries must come together to adopt a system of water governance based on minimum international legal principles.
- **Ensure proper stakeholder participation:** To ensure proper representation of **local users**, all water commissions must have a minimum number of representatives from the local committees, including in the trans-national legislative mechanism.
- **Transparency in Data:** Transparency will help for shared benefits on the waters, and building ideas of **'water peace' rather than 'water wars'**.
- **Institutionalised mechanism:** Creation of a multi-lateral mechanism in which all the co-riparian countries/basins have proportionate power. Ideally the body should have trans-boundary legislative powers pertaining to the basin and its waters. And this body should be elected and representative.

Some of the international treaties and best practices

- **Berlin Rules on Water Resources:** It is result of revision of the Helsinki Rules and other International Law Association rules on uses of international water resources.
- **United Nations Convention on the Law of the Non-Navigational Uses of International Watercourses, 1997:** dealing with measures of protection, preservation and management related to the uses of those watercourses and their waters.
- **Mekong River Commission:** It is major multilateral development in Asia for the Sustainable Development of the Mekong River, 1995 signed by Thailand, Laos, Cambodia and Vietnam.

1.8.4. INDIA'S ENERGY COOPERATION WITH NEIGHBOURING COUNTRIES

Why in news?

India and Bhutan signed a pact for first joint venture hydropower project.

More on news

- The 600 MW **Kholongchhu project** is part of **four projects** agreed in 2008, other three being Bunakha, Wangchhu and Chamkharchhu.
- **Guidelines for Import/ Export (Cross Border) of Electricity- 2018** issued by the Ministry of Power facilitates import/ export of electricity between India and neighbouring countries.

India's Energy cooperation with neighbouring countries

- **India-Bhutan:** Both countries signed, **India and Bhutan framework agreement on hydropower development and trade**, in 2006 to develop 10,000 MW of hydropower by 2020.
 - Key projects include, **Tala hydropower project (1,020 MW)** and **Dorjilung hydropower project (1,125 MW)** (trilateral cooperation between Bhutan, India and Bangladesh).
- **India-Nepal Electricity trade:** Both signed **Power Trade Agreement in 2014** that commits both countries to buy and sell electricity during times of shortages.
 - There are **22 cross border power exchange facilities** operational between two.
 - **Mahakali Treaty** was signed in 1996 for development of **Pancheshwar Multipurpose Project**.
- **India – Bangladesh Electricity trade**
 - **MoU was signed in 2010** between two for bilateral Co-operation in the areas of **Power and establishment of grid connectivity**.
 - India currently supplies **about 1,200 MW power** to Bangladesh, to be increased to over 2,500 MW by 2021.

Some successful regional energy cooperation arrangements across the world

- **Greater Mekong Sub-Region** comprising Cambodia, China, Laos, Myanmar, Thailand, and Vietnam had an **estimated saving of \$14.3 billion, due to the substitution of fossil fuel generation with hydropower**.
- **Southern African Power Pool** is an international power pool in 12 African countries that aims at **providing reliable and economical electricity supply** to the consumers in the region.
- **The Nordic Pool** is world's **first international exchange for power trading** and sourcing power from different sources like hydro, thermal, nuclear, wind and solar etc.

- **India-Myanmar:** Currently, Interconnection transmission line from Moreh (Manipur) to Tamu (Myanmar) transports electricity from India to Myanmar.

Benefit of energy cooperation with neighbouring countries

- **Utilization of untapped hydropower potential:** Hydro power potential in Bhutan and Nepal together is 1,13,000MW and in North East India is 58,000 MW.
- **Effective use of seasonal complementarities:** During winter when the run of rivers become dry Bhutan and Nepal import electricity from India. When other renewable sources are less potent like solar energy during monsoon in India, harnessing hydropower will help to meet required demand in such time period.
- **Reduced dependency on fossil fuel:** It is estimated that India alone can reduce 35,000 MW of coal fired power plants construction during 2015-2040 period if the potential for cross-border electricity trade is effectively exploited.
- **Environmental benefits:** It is estimated that India can reduce 6.5% of power sector CO₂ emissions during the 2015-2040 period if the potential for cross-border electricity trade is effectively exploited.
- **Create investment opportunities:** Creating cross-border interconnected systems will require strengthening the existing generation, transmission and distribution network across countries. This will create substantial investment opportunities where private sector can participate.
- **Economic and Financial Gains:** Providing stable electricity supply to the consumers across borders will promote industrial and commercial activities which in turn will lead to significant economic gains.
- **Economies of Scale:** Regional approach brings the desired economies of scale and hence lowers the cost of electricity generation.

Multilateral initiatives in South Asia for energy cooperation

- **South Asia Regional Initiative for Energy Integration (SARI/EI)** was launched in 2000 to promote energy security through increased trade, investment and access to clean sources of power and fuel.
 - **It covers 8 countries:** Afghanistan, Bangladesh, Bhutan, India, The Maldives, Nepal, Pakistan and Sri Lanka.
- **SAARC Framework Agreement for Energy Cooperation (Electricity)** was signed by all Member States of SAARC in 2014 to facilitate integrated operation of regional grid across SAARC.
- **South Asia Subregional Economic Cooperation (SASEC) Operational Plan 2016-2025** identifies Energy as one of the four-priority sectors for partnership among SASEC members (Bangladesh, Bhutan, India, Maldives, Myanmar, Nepal, and Sri Lanka).

Challenges in cross border electricity transmission

- **Policy Challenges:** Lack of harmonious policy framework is a major hurdle towards development of a trans-border regional power market. E.g. National Electricity Policies do not have dedicated focus on development of a competitive market across neighbouring region.
- **Infrastructural / Technical constraints:** Absence of any Grid Discipline in cross border electricity trade. Limited transmission network for cross border electricity trade and significant T&D losses act as constrains.
- **Political Challenges:** Political stability and National security are a major cause of concern like tariff fixation has political backlashes, hence fixation of uniform tariff for electricity trade could be challenging.
- **Investment Challenges/ Financial Constraints:** Given the poor financial conditions of the state-owned utilities, investment has to be pumped in by the private sector with emphasis on foreign direct investment (FDI) to develop hydropower projects.

Way forward

- Ensuring energy availability and effective use of cross border electricity transmission **requires harmonious policy framework, cross border steering committee and independent multilateral regulatory body.**
- To exploit available hydropower potential in region private investment should be promoted though **foreign direct investment (FDI) and more financial assistance from Multilateral Financial institutions.**
- **A common platform should be formed for periodic knowledge exchange** amongst the policy makers, regulators, subject matter experts, research institutions, civil society organizations and media.

2. INDIAN OCEAN REGION AND INDO-PACIFIC

2.1. INDIA AND THE INDO-PACIFIC

Why in news?

There has been repositioning of global economic and military power towards Indo-Pacific resulting in significant political, economic and social changes in the Indian Ocean Region.

What is the Indo-Pacific?

- It is an **integrated theatre that combines the Indian Ocean and the Pacific Ocean**, and the land masses that surround them.
- **Geographical interpretations of the Indo Pacific region** differ for different countries. Countries like the US describe the Indo-Pacific as a region that starts at the Western shore of the Americas and ends at the shores of the Indian subcontinent. While for India and Japan, the concept is much broader in expanse, **extending to the shores of African continent.**



Factors are driving the global shift towards the Indo-pacific

- **Important Sea Lines of Communication (SLOC):** With the presence of **key choke points**, like Mozambique Channel and Bab-el-Mandeb etc., the region plays a significant role in shaping the new power dynamics and ensuring smooth trade flows.
- **Flourishing Trade and Economy:** The Indo-Pacific Region shares 44% of the world surface area; includes 65% of the world population; accounts for **62% of the world GDP**; and contributes to 46% of the world's merchandise trade.
- **Rise in non-traditional threats in the region**, like incidents of **piracy, illegal fishing, trafficking, terrorism and environmental hazards**, among other things. Dealing with these threats **requires integrated and collaborated efforts** of all nations.
- **Richness in Natural resources:** The expanse of Indian and Pacific Ocean combined has vast reserves of marine resources including- Offshore Hydrocarbons, Sea Bed minerals, Rare earth metals, fisheries etc.
- **China factor:** In the previous few decades, China's aggressive foreign policy, rapid economic expansion, military modernization and power projection have raised several red flags among regional and extra-regional countries. Some concerns in this regard are:
 - **Issues related to Belt and Road Initiative (BRI)** like non transparency, creating unsustainable debt burdens etc.
 - **China's disregard for International Rules and Customs:** E.g. China's refusal to accept the ruling of the Permanent Court of Arbitration in South China Sea dispute.
 - **Increasing Militarization of Indian Ocean Region (IOR):** China has established commercial ports across the Indo Pacific, such as Gwadar port (Pakistan), port in Hambantota (Sri Lanka) etc., in addition to its overseas naval base in Djibouti.

Related News: Germany adopts an Indo-Pacific policy

- Germany recently adopted a policy for the Indo-Pacific centred round greater **security and economic cooperation**.
- Through its policy Germany aims to **strengthen relations and to expand cooperation with Indo-Pacific countries** in the areas of multilateralism, climate change mitigation, human rights, rules-based free trade, connectivity, the digital transformation and, in particular, security policy.

India's interests in the Indo-Pacific

- **Peace and security in the Indian Ocean:** Nearly 50% of India's trade is centered in the Indo-Pacific Region and the Indian Ocean carries 90% of India's trade and its energy sources. India wants to assure freedom of navigation, secure choke points, resolve conflicts peacefully and address nontraditional security threats in the Indian Ocean Region (IOR).
- **Geo-political aspirations:** To expand its own presence in the region, especially in Africa, the Middle East and Southeast Asia and maintain its role as a net security provider.
- **Countering China:** Ensuring that China does not gain a significant strategic foothold in the region.
- **Enhancing Trade and Investment Cooperation:** by encouraging greater flow of goods, services, investment and technology between India and other countries in the region.
- **Promoting sustainable development:** In the coming times, climate change is set to adversely affect India. Thus, India favors sustainable development of the region through development of blue economy.

Other Interests: include- Combating marine pollution, Regulating illegal, unregulated, and unreported (IUU) fishing, deep sea mineral exploration and effective disaster risk management.

India's steps towards Indo-Pacific

- **Strengthening and preserving traditional roles in IOR**
 - **Security Provider:** India has been the **primary security provider** for and strategic partner to most of its **smaller neighbors** like Maldives, Mauritius, Seychelles, and Sri Lanka.
 - **First Responder:** India's navy is among the first to reach nations requiring **humanitarian assistance or medical aid** in times of crisis and disasters. E.g. Operation Vanilla at Madagascar.
- **Foreign Policy and Initiatives**
 - **Establishment of Indo-Pacific Division in 2019, involving in regional groupings** like BIMSTEC, Indian Ocean Rim Association (IORA), Mekong Ganga Cooperation and Forum for India-Pacific Islands cooperation for collaboration on **multitude of subjects**, and partnerships **with countries through platforms like QUAD, ASEAN** etc.
- **Initiatives like Indo Pacific Oceans' Initiative, Indian Ocean Naval Symposium** (increase maritime co-operation), Asia Africa Growth Corridor (for development and cooperation projects; quality infrastructure and institutional capacity) were taken up.
- **Policies aligning with the vision of Indo Pacific such as**
 - **Vision 'SAGAR' (Security and Growth for All in the Region):** A holistic policy that aims to pursue and promote India's geo-political, strategic and economic interests on the seas, particularly in the Indian Ocean.
 - **Project Mausam:** Aims to understand how the knowledge and manipulation of the monsoon winds has shaped interactions across the Indian Ocean and led to the spread of shared knowledge systems, traditions, technologies and ideas along maritime routes.

India's vision for Indo-Pacific

Prime Minister's Keynote Address at Shangri La Dialogue, 2018 highlighted key **elements of India's vision for the Indo-Pacific:**

- **A free, open, inclusive region**
- **Southeast Asia at the centre of Indo Pacific:** With a key role played by ASEAN.
- **A common rules-based order for the region,** based on principles such as sovereignty and territorial integrity and equality of all nations etc.
- **Equal access to common spaces on sea and in the air, as a right under international law.**
- **Circumventing power rivalries through partnerships,** on the basis of shared values and interests.

Challenges India face in the region

- **Limited Naval Capacity and Lack of military bases:** With a meager allocation of 15 percent of India's military budget.
- **Slow pace of developments:** E.g. since the release of the AAGC, there has been very little movement on this initiative. **Challenges to trade** due to tariff and non-tariff measures, poor infrastructure etc.
- **Balancing Continental and Maritime Strategies:** Overemphasizing the Indo-Pacific runs the risk of antagonizing China. While the US and Australia are physically distant from China; India has to secure its continental margins with China and suitably allocate resources for the same.
- **Barriers to fruitful partnerships in the region:** This includes lack of definitional consensus and differences in priorities with each nation having different political appetite and available resources for the Indian and Pacific Oceans.

Way forward

- **Enhancing engagements with non-traditional players:** India should now look to other non-traditional players with great potential such as Micronesia to address shared interests in the region. E.g. Pacific island nations.
- **Strategic use of Island Territories:** India in collaboration with its Indo-Pacific partners, must utilize the potential of island territories to extend its reach etc.
- **Innovative mechanisms such as QUAD+:** E.g. Recent Quad Plus talks with South Korea, Vietnam and New Zealand, convened to address challenges brought about by the COVID-19 crisis in the Indo-Pacific region, are a step in the right direction.

2.2. INDIA AND QUAD

Why in news?

Foreign Ministers of the Quadrilateral grouping met in Tokyo.

About Quad

- The Quad was formed in 2007 after four countries— US, India, Japan and Australia — came together.
- However, it did not take off initially for a number of reasons, and was revived in 2017 after almost a decade due to reasons such as growing convergence among countries, increasing significance of Indo-Pacific region, rising threat perceptions vis-à-vis China among others.
- It has since then emerged as a platform for diplomatic consultation and coordination of participant countries who meet regularly at the working- and ministerial levels to discuss mutual interests such as ensuring free, open and inclusive Indo-Pacific and rules-based international order.
- The objective of the Quad remains advancing the security and the economic interests of all countries having legitimate and vital interests.

Significance of Quad for India

- **Countering China:** The Quad provides a platform to India to seek cooperation from likeminded countries on issues such as ensuring respect for **territorial integrity and sovereignty** and peaceful resolution of disputes.
 - It also **demonstrates a united front** to check belligerent activities of China against India. This is especially crucial in present times as relations between India and China have been worsening due to military tensions at the Ladakh border.
- **Framing post-COVID-19 international order:** The pandemic has brought about a profound transformation globally that has adversely affected global supply chains, manufacturing activities and overall economies of countries.
 - QUAD can help India to not only recover from the pandemic through coordinated responses but can also secure its place in the new world order.
- **Convergence on other issues:** India has converging interests with other Quad members on a variety of important issues such as connectivity and infrastructure development, security including counter-terrorism; cyber and maritime security; reform of multilateral institutions etc.
 - Support from Quad members on these issues can go a long way for India in realizing its strategic and economic goals.
- **Supplementing India's defense capabilities:** Cooperation in the field of defence among Quad members through joint patrols, exchange of strategic information, etc. can help India overcome its imitations pertaining to finances, naval capacity, military reconnaissance and technological and surveillance capabilities.

India's relations with the Quad members

- India holds regular 2+2 ministerial dialogues with all Quad members.
- India has recently **signed all foundational agreements** (Basic Exchange and Cooperation Agreement (BECA), Logistics Exchange Memorandum of Agreement (LEMOA), Communications Compatibility and Security Agreement (COMCASA)) with the USA for defence cooperation.
 - India also has some basic forms of logistic exchange and information sharing agreements with Japan and Australia as well.
- India routinely conducts **bilateral and multilateral military exercise** with its Quad partners. E.g. JIMEX with Japan, AUSINDEX with Australia, Malabar Exercise with United States and Japan etc.

- **Fulfilling India's Indo Pacific vision:** All members of Quad have at some point affirmed their commitment to ensure a free, open, inclusive Indo pacific region following a common rules-based order, where all countries have equal access to common spaces on sea and in the air.

Challenges

- **Unclear agenda:** The Quad lacks a coherent purpose, strategic objective and an institutional framework. The countries have not even issued a joint statement after meetings of the group, rather offering their own individual readouts.
- **China's influence:** China has strong economic ties with Quad members, especially Australia, which can be used to coerce or influence nations in its favour. This can turn out to be problematic for India.
 - E.g. in response to Australia's call for an independent international inquiry over the origins of COVID-19, China banned Australian beef imports and imposed fresh tariffs on barley.
- **Different capabilities and burden sharing:** The four members of the Quad do not have the same levels of financial resources, strategic awareness and military capabilities in the Indian Ocean. This creates an imbalanced partnership where burden falls unequally on partners.
- **Possibility of antagonizing China:** China perceives Quad as an Anti-China coalition. Thus, India faces a risk of further deteriorating its relations with China as it proceeds to increase its engagement with the Quad.
- **Differences in priorities:** Within the Indo-Pacific, Australia's and Japan's priorities lie in the Pacific, while India is primarily focused in the Indian Ocean.

Conclusion

QUAD members should collaborate and build a positive agenda that is built around collective action in humanitarian assistance and disaster relief, monitoring shipping for search and rescue or anti-piracy operations, infrastructure assistance, connectivity initiatives etc. This will help address inhibitions of China as well as be a step forward in building an institutional framework.

Also cooperating with other regional partners, including ASEAN, East African littoral nations, France, the UK, Pacific Island nations etc. and forums such as the BIMSTEC, Indian Ocean Commission and the Indian Ocean Rim Association can further strengthen the global position of Quad as a group.

2.3. RISE OF THE MINILATERALS

Why in news?

India conducted a virtual **trilateral** dialogue with **France and Australia**.

More on the News

- The focus of the dialogue was on enhancing cooperation in the **Indo-Pacific Region**.
- **Objective of the meeting:** Building on the strong bilateral relations that the three countries share with each other and synergising their respective strengths to ensure a peaceful, secure, prosperous and rules-based Indo-Pacific Region.
- The three sides **agreed to hold the dialogue on an annual basis**.

While bilateral and multilateral dialogues, such as India's 2+2 Dialogues with Australia, Japan, and the United States, Quad etc, are common phenomena in the Indo-Pacific, the recent times have seen emergence of '**minilaterals**'. There is already an India-U.S.-Japan trilateral and also an India-Australia-Indonesia trilateral is taking shape.

Factors responsible for the rise of Minilaterals

- **Easier to strike convergence in interests:** Smaller partnerships can focus on specific mutual objectives and goals.

Supply Chain Resilience Initiative (SCRI)

- Trade ministers of India, Australia, and Japan decided to launch an initiative on supply chain resilience (first proposed by Japan).
- It is an approach that helps a country **to ensure that it has diversified its supply risk** across a clutch of supplying nations instead of being dependent on just one or a few.
- **Objectives:**
 - Attract foreign direct investment to turn the **Indo-Pacific into an economic powerhouse**.
 - Build a mutually **complementary relationship among partner countries**.
- It is seen as an attempt to **reshape Global Supply Chain currently dominated by China**.

- **Strategic rationale:** The India-France-Australia trilateral is a natural fit for all three because of their stake in ensuring a free, open and inclusive Indo-Pacific order.
- **Moving beyond uncertainties created by certain partners:** Partners of larger groupings might find in their interest to move to smaller partnerships to overcome uncertainties created by specific partners. For example- unpredictability of American policies.
- **Seeking Informal dialogues:** Trilaterals are an effective way to discuss emerging issues in a flexible manner without establishing rigid commitments and going through lengthy formal negotiations.
- **Overcoming challenges pertaining to multilateralism and multilateral institutions:**
 - **Polarization and ideological infighting:** Multilateral institutions/groupings are often led by a few influential leaders. This increases the probability of creating fissures on the lines of differences in ideologies or particular issues, which leaves little or no space for addressing individual standpoints.
 - **Reverse globalization and rise in protectionist tendencies:** Countries have started looking inwards and find it difficult to cooperate on multilateral platforms beyond their national interests.
 - **Institutional sclerosis:** It is a phenomenon where institutions fail to adapt and change at a sufficient pace. Existing Multilateral institutions are facing difficulties to address new and emerging global challenges such as climate change, data privacy, cyber security etc.

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3. SOUTH EAST AND EAST ASIA

3.1. INDIA-MYANMAR

Why in news?

India and Myanmar signed number of agreements with a focus on **socio-economic development of Myanmar** during the State Visit of the President of Myanmar to India.

Why Myanmar Should Matter to India?

- **Geostrategic importance to India:** It is geopolitically significant to India as it sits at the intersection of India's **"Neighbourhood First" policy** and **"Act East" policy**.
- **Sub regional economic cooperation:**
 - It is the only **ASEAN** country adjoining India and, therefore, seen as a gateway to South-East Asia and a key component of South and South-East Asian regional cooperation.
 - **Moreover**, Myanmar is an important member of the **Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)**, as well as **Mekong Ganga Cooperation** to impart significance in the context of our "Act East" policy.
- **Co-operation in Regional Security:** Myanmar has reaffirmed its respect of the sovereignty and territorial integrity of India and steadfastly upheld the policy of not allowing any insurgent group to utilise Myanmar's soil to undertake hostile acts against the Indian Government.
- **Indian Diaspora:** There are varying estimates of 1.5-2.5 million people of Indian origin living and working in various parts of Myanmar.

Important Takeaways of the Visit

- **Opening of coordinated bus service** between Imphal and Mandalay.
- India's assistance in the construction of **Integrated Che and Point at Tamu, Myanmar**, bordering Manipur.
- **India will offer medical radiation equipment** Bhabhatron II for treatment of cancer patients, and strengthen cooperation in the health sector.
- Extend the **Quick Impact Project schemes to Myanmar**.
- India will help Myanmar with the project of e-ID cards, which is modelled after the Aadhaar project.
- Both sides agreed to enable the launch of **India's RuPay Card in Myanmar**.
- Commitment to continue negotiations on various pending treaties like **Mutual Legal Assistance Treaty and Extradition Treaty**.

Look East and Act East policies of India

- **Look East policy** has emerged as an important foreign policy initiative of India in the post-Cold War period. It was launched in 1991 by the Narasimha Rao government primarily with the aim of increasing economic integration with countries of Southeast Asia.
- Gradually, it evolved to incorporate developing **political contacts and forging security cooperation** with countries of Southeast Asia.
- India's 'Act East' policy, launched in 2014, is a **diplomatic initiative to promote economic, strategic and cultural relations with the vast Asia-Pacific region at different levels**.
- **Act East and Look East are continuing phases** in the evolution of India's policy towards the Asia-Pacific region.
- The **key principles and objectives of "Act East Policy"** are to promote economic cooperation, cultural ties and develop strategic relationship with countries in the Asia-Pacific region through continuous engagement at bilateral, regional and multilateral levels thereby providing enhanced connectivity to the States of North Eastern Region with other countries in our neighbourhood.

India- Myanmar Relations: Various Aspects

- **Development Cooperation:** Recently, under **'India-Myanmar Friendship Project'** India has handed over 250 pre-fabricated houses in the Rakhine State for the rehabilitation of refugees after their return. Additional connectivity projects include —
 - **Kaladan Multi-Modal corridor,**
 - **Rhi-Tiddim road** in the Chin state bordering Mizoram.
- **Defence Co-operation:**
 - In July 2019, India-Myanmar signed a landmark defence cooperation agreement.
 - Myanmar bought India's first locally-produced anti-submarine torpedo, called **TAL Shyena, in 2017**. In 2019 Myanmar acquired a diesel-electric Kilo-class submarine, **INS Sindhuvir**.
- **Commercial Cooperation:** India is the fifth largest trading partner of Myanmar. Bilateral Trade Agreement, signed in 1970, has been growing steadily to reach US\$ 1.67 Billion in 2017-18.
 - Myanmar's oil and gas has attracted the **largest foreign investment** from India.

- **Cultural Co-operation:** Building on the shared cultural heritage, India is undertaking some key initiatives like restoration of the **Ananda Temple in Bagan** and India donation of a 16-foot replica of the **Sarnath Buddha Statue** which has been installed at the premises of **Shwedagon pagoda in Yangon**.
- **People to People contact:** For ease of people-to-people movement, the two countries signed the **Land Border Crossing Agreement in 2018**, which allowed bona fide travellers with valid document to cross the border at two international points of entry/exit: **Moreh-Tamu and Zokhawathar- Rih**.
 - The **'High Impact Community Development Projects'** and the **'Border Areas Development Projects'** for States in the border regions of Myanmar.

Major issues /areas of concern:

- **Countering the China factor:** China is creating its own sphere of influence in Myanmar through various channels.
 - One of the flagship projects is the **China-Myanmar Economic Corridor (CMEC)**, which is a part of China's Belt and Road Initiative (BRI). This makes Myanmar a major access route to the Indian Ocean.
- **Delayed Infrastructure projects:** Almost every Indian project in Myanmar is running behind schedule.
- **Issue of Border security:** Over the years, the India-Myanmar border has become the main conduit for the trafficking of arms and drugs from Myanmar.
 - **India is therefore re-examining the Free Movement Regime (FMR)**, due to recent reports submitted to the Home Ministry stating that the smuggling of light arms, drugs and counterfeit currencies have been spotted along the border.
- **India's stance on Rohingyas:** Though India provided humanitarian relief for Rohingya Refugees, India's plan to deport 40,000 Rohingya to Myanmar for security reasons, drew outcries not only from the United Nations and human rights groups but also ultra-nationalists in Myanmar.

Free Movement Regime

- In order to facilitate free movement of the tribal people along the border of India and Myanmar, the mechanism of the free movement regime was introduced.
- Free Movement Regime (FMR) allows the tribes living along the border to travel 16 km across the boundary without visa restrictions.

Way ahead/Potential Areas of Co-operation:

- **Leveraging cultural linkages:** India's cultural diplomacy through Indian Government's **"Buddhist Circuit"** initiative, which seeks to double foreign tourist arrivals and revenue by connecting ancient Buddhist heritage sites across different states in India, **should resonate with Buddhist-majority Myanmar**.
- **Capacity Building:** Enhancing strong academic links between institutions of India and Myanmar and replicating best learning practices will help in human resource development as well as Myanmar's social and economic transformation.
- **India's economic involvement** in Myanmar, largely through the public sector, has not been up to the mark with complaints about **implementation delays and quality controls**. This gap, however, can be bridged by the **Indian private sector**, as opportunities expand.
- **Strengthening Act East - cooperation between Northeast India and Western Myanmar:** Four states in the Northeast share common borders with **Myanmar's Sagaing and Chin provinces**. Thus,
 - Governments need to come up with action plans for transforming the evolving **corridors into development corridors**.
 - Border trade through **Tamu/Moreh and Rhi/Zhokhowthar** needs to become more formalised with truly **single-window clearances** and easier currency arrangements.
 - Co-operation on larger initiatives, such as the sale of refined petroleum products from the **Numaligarh refinery in upper Myanmar**.

3.2. INDIA SOUTH KOREA DEFENCE RELATIONS

Why in news?

India and South Korea concluded two agreements on defence educational exchanges and extension of logistical support to each other's Navies, during Indian defence minister's visit to Seoul.

Drivers of defence relations between India and South Korea

- India South Korea signed Strategic Partnership in January 2010 which was upgraded to the level of **'special strategic partnership'** in 2015 and defence cooperation lies at the heart of special strategic partnership.

- South Korea's **New Southern Policy** attached primacy to strengthening the country's economic and strategic relations with India. **It is the first time that South Korea has clearly designed a foreign policy initiative for India and officially documented it.**
- **Security concerns in Indo-Pacific** and changing geopolitics in the region has pushed Seoul to collaborate with India in maintaining peace and stability in the region. There is regular security dialogue between India's National Security Adviser and the intelligence agencies of Korea.
- Also, by aligning with India and the ASEAN, South Korea is making a subtle move **to endorse the 'Indo-Pacific' geopolitical construct** that helps Korea to mitigate its China-related risks.

Other areas of engagement

- The South Korean President who visited India, in 2018 has coined a new acronym '**3P Plus**' for boosting bilateral ties between India and South Korea, through **cooperation for people, prosperity and peace.**
- **Buddhism** acts as common cultural connect between two countries. On a recent visit, highlighting the common Buddhist linkages, **India gifted a sapling of the sacred Bodhi Tree to South Korea.**
- India-South Korea have **signed the Comprehensive Economic Partnership Agreement (CEPA), 2010** which has facilitated the growth of trade relations. Current bilateral trade between India and South Korea is at USD 21 billion and the target that has been set is USD 50 billion by the year 2030.
- To facilitate investment from Korea, India has launched "**Korea Plus**" **facilitation cell** under 'Invest India' to guide, assist and handhold investors.
- Last year, **South Korea inaugurated Samsung's mobile manufacturing plant, touted as the biggest in the world, in Noida.**

Conclusion

India and South Korea will seize the opportunity for a **win-win situation by collaboration, cooperation, co-production and co-development.** There is a **growing synergy and complementarity** between South Korea's New Southern Policy and India's Act East Policy, both of which seek to establish a stable, secure and prosperous Indo-Pacific order.

3.3. INDIA-TAIWAN

Why in news?

Two Indian MPs, for the first time virtually attended the swearing-in ceremony of newly elected President of Taiwan.

India -Taiwan relations

- **Background**
 - Post-independence, bilateral ties between India and Taiwan ceased to exist when in 1950 India accorded diplomatic recognition to **People's Republic of China (PRC).**
 - India and Taiwan set up **unofficial relations in 1995 with establishment of the India-Taipei Association (ITA)** in Taipei (Capital of Taiwan).
 - Also, **Taipei Economic and Cultural Centre (TECC),** founded in 1995, is Taiwan government's representative office in India. It is responsible **for promoting bilateral relations** in the areas of economy, trade, investment, media, tourism, culture etc.
 - However, **India does not have any official diplomatic relations with Taiwan and nor does it recognise Taiwan as independent country.**
- **Strategic Prospects**
 - The **growing assertiveness of China in the region,** has become a medium to bring strategic communities of India and Taiwan closer for their security interests.
 - Through this, **Taiwan can further consolidate its identity as an independent state** and India can ensure freedom of navigation in **South China Sea and further expand its oil and gas exploration activities in the region.**
 - **Taiwan sees itself as an important member of the Asia-Pacific region** and accepted its responsibility to contribute to **regional peace, stability and prosperity,** which overlaps with India's vision for the region.



- **Economic prospects**
 - Between 1995 and 2018, **bilateral trade** turnover has grown manifold from **\$934 million to \$7.5 billion** (went down to US\$ 5.8 billion in 2019). Target is to achieve a trading volume of US\$ 10 billion by 2020.
 - **India has abundant natural bamboo resources** while Taiwan owns the world-class bamboo charcoal technology.
- **Cultural diplomacy and People to People relations**
 - With increasing emphasis on **soft diplomacy in foreign policy, religious tourism has great potential**, considering **Buddhism is the majority religion in Taiwan and India is its birth place**.
 - India has extended **e-visa privileges** to those traveling from Taiwan for tourism, informal business trips, while Taiwan allows **online travel authorization** and **30-day visa-free stay** for eligible Indian visitors.

About Taiwan and One China Policy

- Taiwan, **officially the Republic of China (ROC)** was formed in 1949.
- In **1949 Chinese Communist Party** armies defeated **Nationalist forces** (Kuomintang party) and established **People's Republic of China** (Present China).
- Nationalist forces fled to **Taiwan resulting in the separation of Taiwan** from China in 1949 and **formation of ROC**. Both sides said they represented all of China.
- Initially, many governments including US **recognised Taiwan** separately. But with shift of diplomatic relation the US held **One China policy**.
- According to **One China Policy** any country wishing to establish diplomatic relations with China (PRC) must acknowledge **there is only 'One China' and sever all formal ties with Taiwan**.
- **Taiwan is not a member of the United Nations and WHO**. But is member of **WTO** by name **Chinese Taipei** (Taiwan).
- **179 of the 193 member states** of UN do not maintain diplomatic ties with Taiwan.

Recent developments

- **Taiwanese parliamentary delegation visited India in 2017**, inviting criticism from China. **India-Taiwan Parliamentary Friendship Forum** was established in 2016 by as a "formal platform for friendship".
- Recently, **Taiwan-India Webinars on COVID-19** were held, in which Taiwan shared best practices, knowledge with Indian medical staff engaged in battle against COVID-19.
- Taiwan also **donated one million face masks to India** to help protect frontline medical personnel engaged in fight against COVID-19.

Challenges

- **China opposes any official contact** between Taiwan and other countries and has asked India in the past to strictly follow **'one-China' policy**. Closer relations with Taiwan might upset China, especially when **bilateral relations are going through a difficult phase** and military tensions on border are rising.
- Despite the economic interests of the two nations, the **economic exchange is still insignificant**. Bilateral trade is around 1% of total trade for both countries.
- Taiwanese entrepreneurs complain about **long drawn review process, longer clearances** (like no single window clearance), non-availability of and **one-time banking clearance** to bring in capital in India etc.

Way forward

- India's **acceptance of "one China policy"** should not deter it from seeking **close security and economic ties with Taiwan** in the same way as China is expanding its involvement with Pakistan in Pakistan-occupied Kashmir (PoK).
- Both India and Taiwan should establish a **mechanism to facilitate reciprocal high-level visits**, so as to **institutionalize economic cooperation** through a formal special economic partnership.
- **Closer relationship with Taiwan helps in better understanding of China's strategic depth** because of their close geo-strategic proximity, linguistic and cultural ties. Thus, **inclusion of Taiwan in India's triangular and quadrilateral coalitions** with U.S., Japan and Australia as a part of regional security strategy could prove very significant.
- Thus, India should maintain a **pragmatic approach toward Taiwan** that would help it to **delink its relationship with mainland China** from that of Taiwan.

3.4. INDIA-JAPAN RELATIONS

Why in news?

India and Japan held the meeting of India-Japan Foreign and Defence Ministerial Dialogue (2+2), in New Delhi.

Areas of Cooperation between India Japan

- **Increased Economic Cooperation.**
 - Both signed **Comprehensive Economic Partnership Agreement (CEPA)** in 2011 which helped in boosting bilateral trade.
 - Japan has been **one of the biggest sources of investment flows** into India, **accounting for \$28.16 billion in FDI between April 2000 and June 2018.**
- **Connectivity through Huge Infrastructure projects**
 - **Within India-** Japan has been a leading financial donor in the form of ODA (Official Development Assistance) to India.
 - ✓ It continues to maintain a high degree of interest and support for **India's mega infrastructure projects** like the Delhi-Mumbai Freight Corridor, Delhi-Mumbai Industrial Corridor etc.
 - ✓ **North East integration-** India's Act east policy has North east development at its core. Japan promises to undertake several projects in the region under north East Forum. It has security (chicken neck corridor) and developmental implications for India.
 - **Outside India-** Asia-Africa Growth Corridor (AAGC) announced in 2017 and joint projects in some third countries like Bangladesh, Myanmar, and Sri Lanka and in Africa as well will be taken jointly.
- **Defence ties- Quadrilateral Security Dialogue** is a strategic dialogue between India, United States, Japan and Australia will be carried out.
 - India and Japan **signed an "Acquisition and Cross-Servicing Agreement"** that would allow the militaries of the two countries to exchange supplies and services on a reciprocal basis during exercises in which both participate, U.N. and humanitarian assistance operations etc.
 - **Trilateral naval exercise Malabar** involving the United States, Japan and India will be carried on continuous basis.
- **Global and regional partnership-** Both have come together, through platforms like QUAD, Asia-Africa Growth Corridor. **sLooming presence of China** has led to the convergence of economic and strategic imperatives, especially in the India-Pacific region.
- **Space cooperation:** India and Japan conducted their **first Annual Bilateral Space Dialogue**, for enhancing bilateral cooperation in outer-space.

Challenges in India Japan relations

- In spite of CEPA India Japan trade it has not produced the anticipated results. In 2011-12, the total **volume of the bilateral trade** was \$18.43 billion, but it declined to \$13.48 billion during 2016-17.
- Both had diverging interest with respect to economic issues like on **E-commerce rules (Osaka track), Regional Comprehensive Economic Partnership** etc.
- Both countries do not have a specific China policy. Despite, converging interests of Japan, India, **trade with China** represents more than 20% of Japan's total trade.
- No concrete action on projects like **Asia Africa Growth Corridor**, despite it being signed in 2017.

Conclusion

India Japan's relationship has been defined as 'indispensable natural partners.' Also, Indian Prime Minister said, there are **few partnerships that enjoy so much goodwill in India as our relationship with Japan.** To realise the full potential of relationship, both need to expedite work on trade, defence and infrastructural issues. A strong Indo- Japan will arrest the inconsistency being witnessed in the region thus contributing to peace and prosperity in the Indo Pacific region and the world.

3.5. INDIA-AUSTRALIA RELATIONS

Why in news?

The **first ever virtual bilateral summit** was held between Prime Ministers of India and Australia.

Key Outcomes of the Summit

- Elevated the bilateral Strategic Partnership to **Comprehensive Strategic Partnership.**
- **Elevated the "2+2" engagement** to the **level of Foreign and Defence Ministers (from secretary level)**, where **strategic discussions** will be taking place **every two years.** India already has such mechanism with USA and Japan.
- MOU on cooperation in the field of **mining and processing of Critical and Strategic minerals.**
- Mutual **Logistics Support Agreement** was signed.
- **Joint declaration** on shared vision for **Maritime Cooperation** in the **Indo- Pacific region.**

Overview of India- Australia Relations

- **Economic and commercial relations**
 - Bilateral **goods and services trade** between two was \$30.3 billion in 2018-19, and the level of two-way **investment was \$30.7 billion in 2018**.
 - In 2018, Australia announced implementation of “**An India Economic Strategy to 2035**”, a vision document to shape India- Australia bilateral ties. India is also preparing an **Australia Economic Strategy Paper (AES)** on similar lines.
- **Defence and security cooperation**
 - Both signed **Strategic Partnership**, including a Joint Declaration on **Security Cooperation in 2009**.
 - **Civil Nuclear Cooperation Agreement** was **signed 2014** between two, enabling India to secure uranium from Australia.
- **Science and Technology**
 - **An Australia-India Strategic Research Fund** was established in 2006 for scientists to collaborate on leading-edge research.
 - Agreement on **Cyber and Cyber-Enabled Critical Technology** was signed.
- **Global cooperation**
 - **Chinese aggression and assertive foreign policy** are common concerns and has brought both the democracies closer.
 - Both have shared interests in vision of a **free, open, inclusive and rules-based Indo-Pacific region**. Both are part of **QUAD**, and also proposed **Supply Chain Resilience Initiative**.
 - **Australia’s Pacific Step Up** and **India’s Forum for India-Pacific Islands Cooperation (FIPIC)** reaffirm their cooperation in the **South Pacific region**.
- **People to People Relations**
 - Indian diaspora, estimated at nearly 7 lakh is the **fastest growing in Australia** and has become positive factor in bilateral relations.
 - Almost 1 lakh **Indian students enrolled for studying in Australia**.

Some concerns in India-Australia relations

- **Comprehensive Economic Cooperation Agreement (CECA)** still remains inconclusive after 9 rounds of negotiations.
- **India opted out from Regional Comprehensive Economic Partnership (RCEP)**. Among other things, **India and Australia could not agree** regarding market access over agriculture and dairy products.
- **Australia’s economy is heavily dependent on China**, with China being **Australia’s largest trading partner**, accounting for 26 % of its trade with the world.

Conclusion

- The prospects for bilateral relationship are recognized in both countries as **strategically useful, economically productive** and aligned with each other’s new agenda. However, it is recognized that the natural synergy has so far **not been exploited fully**. Countries should conclude CECA at the earliest, to realize the economic opportunities.
- Based on several commonalities and closely aligned values in principles of **democracy, liberty, the rule of law, human rights, freedom of speech, free press and multiculturalism** both shall enhance the bilateral relationship by expanding engagement in various sectors like **defence industry and commercial cyber activity etc.**

3.6. INDIA-VIETNAM

Why in news

India and Vietnam held the 17th meeting of their bilateral Joint Commission on Trade, Economic, Scientific and Technological Cooperation.

Evolution of India-Vietnam relationship

- The strong ties between the two, date as far back as to the cold war days of the 1950s.
- **India supported** Vietnam's independence from France, objected to the US involvement in Vietnam in the 1960s and was one of the first countries to recognise a united Vietnam in 1975 after the war with the US.
- India initially maintained Consulate-level relations with the then North and South Vietnams and established full diplomatic relations with Vietnam in 1972.
- Relations between the two countries were elevated to the level of ‘**Strategic Partnership**’ in 2007 and further to a “**Comprehensive Strategic Partnership**” in 2016.
- Today, **India sees Vietnam as a pivotal state in its "Act East" policy**, the same way that China sees Pakistan as a strategic counter-balance to India.

Importance of Vietnam for India

- **Act east Policy:** Vietnam is a core partner of India in ASEAN and a critical partner in Look & Act East Policy which aims to re-invigorate its historical ties with countries in Southeast and East Asia.
- **To contain China:** Vietnam, due to its critical geostrategic location in the neighborhood of China holds the key to any future strategy to contain the hegemonic rise of China.
- **Energy Security:** Vietnam has rich hydrocarbon reserves. **Vietnam is also keen for India to expand its presence in oil and gas exploration** in the South China Sea.
- **Trade and Economy:** India is among the top ten trading partners of Vietnam. Under the Mekong Ganga Cooperation (MGC) framework, India has been taking up **Quick Impact Projects (QIPs)** having short gestation period, bringing direct benefits to communities at the grassroots level.

Challenges in India-Vietnam relations

- **South China Sea:** Vietnam is involved in a territorial dispute with China over the South China Sea (SCS). India too is engaged in oil exploration activities in the areas of the Sea that Vietnam has claimed.
- **Cultural gap:** There is a significant cultural, custom and language gap between people from both countries. India is much closer to Thailand (Buddhism, Hinduism, Brahminical Rights) and Cambodia (Angkor Wat renovation) in comparison to Vietnam.
- **Connectivity:** The two countries are geographically far apart. This not only affects tourism but also impacts the import and export of goods and business exchanges.
- **Industries:** India has some problems related to land acquisition in Vietnam, which is hampering the pace with which manufacturing industries can set up their bases in Vietnam.

Way forward

- India-Vietnam strategic partnership is key to maintaining peace and stability not only in SE Asia but in the entire Indo-Pacific region as the two countries share plethora of complementarities. Both the countries, **by exploring different areas such as IT, agro-chemicals, agro-processing etc can come closer to each other.**
- Strengthening ties with Vietnam will eventually lead **a step towards the realization of SAGAR** (Security and Growth all in the region) initiative and **both can mutually benefit each other in the arena of Blue Economy and ocean security.**

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4. WEST ASIA/MIDDLE EAST

4.1. ISRAEL-PALESTINE

Why in news?

Former US President Donald Trump unveiled his Middle East peace plan, **Peace to Prosperity: A Vision to Improve the Lives of the Palestinian and Israeli People** aimed at solving the Israeli-Palestinian conflict.

About Israel-Palestine conflict

- The conflict dates back to early 20th century. During World War II, over 3 lakh Jews migrated & resettled in Palestine and demanded a new country. This led to fight to fight between Arabs and Jews i.e. Israel Palestine conflict.
- In 1947 the United Nations voted to split the Palestine between Arabs and Jews.**
 - The Jewish residents accepted the agreement and declared independence of Israel in 1948 while Arabs rejected the agreement.
 - Consequently, the Arab states of **Egypt, Jordan, Iraq, and Syria** declared war on Israel.
- Since then, both sides fought various wars in **1967 (Six-day war), 1973 (Yom Kippur war)** in which Israel captured Arab inhabited territories and relations remained tense.
- UN Security Council then adopted a resolution** for 'Land for peace' and it mandated that Israel should return the captured areas back to the defeated nations.
- Various measures like **Camp David Accord 1978** (between Israel and Egypt) **OSLO Accord 1993** (between Palestine Liberation Organisation) failed to provide permanent solution to the conflict.

India's stance on Israel Palestine conflict

- India **believes in the 2-state solution** and has maintained a balanced approach. It supports the establishment of a sovereign independent and a viable state of Palestine along with maintaining India's growing relationship with Israel.

What makes Jerusalem so important?

- Jerusalem is situated on the border between Israel and the West Bank. It is **home to some of the holiest sites in both Judaism and Islam**, and so both Israel and Palestine want to make it their capital.
- It is an **Important pilgrimage for Christians** as well whose holiest **Church of Sepulcher** is located here.
 - The Church contains two important sites, one where Jesus was crucified and the other being Jesus' empty tomb where he said to have been buried and resurrected.
- It also **hosts the third holiest site of Islam, the dome of the rock**, which is one of the oldest extant works of Islamic architecture.
 - It is believed that Prophet Mohamad's night journey to the heaven started from the rock at the center of the structure.
- The western wall or the Buraq wall** is the ancient limestone wall in this city. It is considered holy due to its connection to the temple mount.
 - Israeli Jews weren't allowed to pray in the temple mount area while Jordan controlled it.** Because of the temple mount entry restrictions, the wall is the holiest place where the Jews are permitted to pray.

What the Trump's Peace Plan suggested?

- Status of Jerusalem:** Jerusalem will be the sovereign capital of Israel. Capital of Palestine should be in the section of East Jerusalem located in all areas east and north of the existing security barrier, could be named Al Quds or another name as determined by the State of Palestine.
- Conceptual map:** Map delineates what the potential Israeli and Palestinian state borders would be. The plan gives the Israelis and Palestinians four years to accept these borders.
- Economic package:** \$50 billion investment fund to boost the Palestinian and neighbouring Arab state economies. The United States will work with the Palestinian Authority to identify economic projects for Al Quds and incorporate such projects into Peace to Prosperity.
- Security:** Upon signing the Israeli-Palestinian Peace Agreement, the State of Israel will maintain overriding security responsibility for the State of Palestine, with the aspiration that the Palestinians will



be responsible for as much of their internal security as possible, subject to the provisions of this Vision. The United States will help support the State of Palestine to meet and maintain the Security Criteria

- **Port Facilities:** The State of Israel will allow the State of Palestine to use and manage earmarked facilities at both the Haifa and Ashdod ports
- **Dismantling of Hamas:** Hamas currently governs Gaza, so removing it would significantly change the coastal strip.

4.1.1. ABRAHAM ACCORD

Why in News?

UAE and Israel signed a US-brokered agreement that has come to be known as the '**Abraham Accord**', that aims at establishing formal relations between the two countries.

More about news

- According to the Accord, UAE and Israel would establish formal diplomatic relations and in exchange, Israel would suspend its plans to annex parts of the occupied West Bank.
 - With this, **UAE will become the first Gulf country** to establish diplomatic and economic relations with Israel.
 - ✓ **Gulf countries** are the seven Arab states which border the **Persian Gulf, namely Bahrain, Kuwait, Iraq, Oman, Qatar, Saudi Arabia and UAE.**
 - ✓ UAE becomes the third Arab nation to recognize Israel after Egypt (in 1979) and Jordan (1994).
- For decades, there has been a consensus among many Arab and Muslim-majority states that they will not end a state of hostility with Israel until it agrees to a deal granting statehood to the Palestinians.

Why Arab states are engaging with Israel?

- **Need to reorient their economies:** To diversify petrodollar fueled economy Arab states need to invest in technology driven sectors. Israel being the leader in technology in West Asia can aid Arab states.
- **Enhanced cooperation with Israel:** Israel is the most technologically advanced country in the Middle East and it can provide cutting-edge technology in fields of biotech, healthcare, defense and cyber surveillance.
- **Threat from radical Sunni extremism:** Arab states now realize the danger it poses to them as exemplified by the rise of the Islamic State terror group.
- **Need to counter Iran:** It could pave the way for the region's Sunni Arab kingdoms, US and Israel enhancing regional cooperation against their common foe, Shia Iran.
- **Need to address threat of slamism or political Islam:** It is a transnational concept often embodied by the Muslim Brotherhood and one which certain Gulf Arab rulers view as an existential threat to their dynastic monarchies.

What is the geo-political significance of this agreement?

- **For UAE:** Deal signifies a strategic advantage over Iran and access to better technology including biotech, healthcare, defense and cyber surveillance. It might also prompt other Gulf and Arab nations to start engagement with Israel.
- **For Israel:** Israel gets a diplomatic and economic opening with the big power in the Gulf, that could open other doors, given its security interests. It will also provide Israel a secure presence in Gulf and the larger region.
- **For Saudi Arabia bloc:** The bloc sees its interests being aligned with that of U.S. and Israel (Over Iran, Muslim brotherhood etc.) and their support for Palestine, which Arab powers had historically upheld, is dwindling,
- **For USA:** It allows US to pivot away from Trump's Peace to Prosperity plan for resolving the Israeli-Palestinian conflict. The agreement could be interpreted as a counter to the Iran-China deal.
- **For Palestine:** Unlike the past two Arab-Israeli peace agreements, Palestinians do not figure prominently in the current one. Palestinians want a viable independent state which is nowhere on the horizon.
 - Egypt and Israel peace deal promised an autonomous self-governing authority in the West Bank and Gaza.
 - Jordanian Israeli treaty came after Israel agreed to the formation of the Palestinian Authority in the West Bank and Gaza.

Conclusion

While the deal has the potential to change Arab-Israeli relations for good, it also shows how the Arab countries are gradually decoupling themselves from the Palestine question. The question now is whether the UAE would be able to convince the Jewish state to relax its occupation of the Palestinian territories and start talks between them. If so happens, the UAE-Israel deal would become a significant step towards Palestinian statehood and peace in the Middle East.

Possible significance for India

- **Peace and Stability in West Asia:** Agreement opens the doors to the first **big rapprochement between** traditional adversaries in West Asia—Israel and the Arabs.
 - It is beneficial for India, as it has deep stakes in terms of **energy supplies** and **expatriate populations**.
- **Two state solution:** Israel's suspension of its plan for annexation might lead to early resumption of talks between Israel and Palestine.
 - India has always supported **two-state solution** as part of a negotiated settlement between Israel and Palestine.
- **Ties with Iran could be impacted** as it will see Arab-Israeli tie-ups as a direct threat to its security.
 - India has **prominent stakes in Iran** such as Chabahar port, access route to central Asia etc.
- Also, deal opens **new opportunities for India** to play a much larger role in the regional security and stability in the region, as **India enjoys special relations with both UAE and Israel**.

4.2. INDIA UAE

Why in news?

India UAE have seen uptick in relationship in recent years.

Importance of UAE

- **Energy Security:** UAE is the **5th largest import source** and accounts for about 6% of our total crude imports. Both signed agreements related to energy security on acquisition of stakes in Lower Zakum oil and gas field.
- **Investment:** The UAE government has committed USD 75 billion towards developing Indian infrastructure. The NIIF entered into an agreement with a Dubai based firm for investment up to USD 3 billion.
- **Important trading Partner:** Bilateral trade with UAE stood at around USD 59 billion last year.
- **Indian Community-** More than 2.5 million Indians live in the UAE, which is among the largest number of expatriates anywhere in the world, repatriating \$13.6 billion a year to India.
- **Shared Security Concern-** The two countries have a common interest in ensuing maritime security in the Indian Ocean and the Gulf region.
 - Further, given the current state of flux in West Asia, India sees the UAE as an important partner to maintain peace and stability in the region. In this background India looks to enhance security cooperation with the Gulf countries including the UAE to counter terrorist threats and combat online radicalization.
- **Defense-** Defense exercises are increasingly undertaken. For example, 'Desert Eagle II', a ten-day air combat exercise, was held in May-June 2016 between the air forces of India and UAE. Also, both elevated their relationship to **Comprehensive Strategic Partnership agreement** and have move beyond just buyer-seller relationship.
- **Maritime security-** India approved the bilateral pact on maritime education and training and a MoU to facilitate and promote maritime transport, simplification of customs and facilitation of use of existing installations for the disposal of waste.

Challenges

- **Slow implementation process-** As far as investments are concerned, the systemic problem faced due to slow implementation of various projects from Indian side is a major obstacle.
- **Lack of commercial clarity in UAE-** Indian companies operating in the UAE also face problems due to lack of clarity in many aspects of commercial regulations, labor laws and lack of transparency on part of Emirati businesses.
- **Decrease in opportunities for Indian workers-** There is also a need to smoothen problems faced by Indian migrants due to cumbersome and strict regulations that favour the Emirati employers and at times leads to serious problems for Indian workers, especially unskilled workers.

Way Forward

The growing engagements between India and the UAE has to be seen within the broader contexts of UAE's policy of engaging with Asia to improve economic prospects and India's search for foreign investments to expedite economic growth and address the threat of extremism and terrorism.

- **Medical tourism** can be an important area where India can attract UAE given India's high quality man power in medical sector and improving medical infrastructure in the country.
- There are further untapped potentials in the arena of **renewable energy**. The cost for production and transmission of solar energy in the UAE are a fraction to that of India and this is a priority area for the UAE government.

4.3. INDIA SAUDI ARABIA

Why in news?

Prime Minister of India visited Kingdom of Saudi Arabia and attended Future Investment Initiative (FII) of Saudi Arabia, held in Riyadh.

Major outcomes of the visit

- Establishment of a **Strategic Partnership Council (SPC)**. India to become the fourth country to sign such an agreement with Saudi Arabia. The SPC will have two parallel tracks:
 - **Political, security, culture and society**, headed by Foreign Ministers of both the countries;
 - **Economy and investment**, headed by India's Commerce Minister and Saudi's Energy Minister.
- Both countries **signed 12 MoUs** on issues such as preventing narcotics trafficking, renewable energy, security collaboration etc.
- The **joint statement** rejected all forms of interference in the internal affairs of countries. This is seen as **Saudi Arabia's tacit support** for India's decision to revoke the special status of Jammu and Kashmir.

Importance of Saudi Arabia

- **Energy Security**
 - Saudi Arabia is India's second largest supplier of crude oil (~18% of the total import). India also sources ~32% of its LPG requirements from Saudi Arabia.
 - Recently, Saudi Arabian oil major **ARAMCO (in partnership with ADNOC of UAE) has decided to partner in Ratnagiri Refinery and Petro-Chemical Project in Maharashtra**, a Joint Venture of US\$ 44 billion billed as the world's biggest.
- **Bilateral Trade & Investment**
 - Total **bilateral trade is around \$34 bn**, in 2018-19. India is 4th largest trading partner of Saudi Arabia and the 4th largest market for Saudi exports.
 - Saudi Arabia had expressed intent to **invest about \$100 billion in India** in sectors including petrochemicals, infrastructure and mining.
 - Saudi Arabia identified India as one of the Kingdom's 8 Strategic Partner Countries under '**Vision 2030**'. Saudi Vision 2030 is a plan to reduce Saudi Arabia's dependence on oil and diversify its economy.
- **Socio cultural relations**
 - Of the 11 million Indians working in West Asia, **2.6 million** are in Saudi Arabia.
 - India is the largest recipient of foreign **remittances** (up to \$11 bn annually) from the kingdom.
 - India Saudi Arabia signed agreement to launch the **RuPay card** in Saudi Arabia. It will benefit the 2.6 million Indians in the Gulf Kingdom and also Haj and Umrah pilgrims.
 - India has the **world's 3rd largest Muslim population** (after Indonesia & Pakistan). Being the custodian of the two of Islam's holiest sites (Mecca & Medina), Saudi becomes important in India's strategic calculus.
- **Strategic and security cooperation**
 - The Delhi Declaration (2006) has laid a foundation of cooperation on terrorism while the Riyadh Declaration (2010) has raised the level of partnership to strategic partnership and diversified the relations to include space and energy cooperation.

- Being one of the major investors, Saudi Arabia can force **Pakistan** to abandon its anti-India foreign policy. For instance, in the aftermath of the suicide attack in Pulwama, Saudi Arabia and the United Arab Emirates had also played a key role in reducing tensions between India and Pakistan.
- Both cooperate on ensuring the **security and safety of waterways in the Indian Ocean region and the Gulf region** from the threat and dangers that may affect the interests of the two countries.
- **Global cooperation**
 - India and Saudi Arabia been working together within the G20 to reduce inequality and promote sustainable development. Moreover, currently, Saudi Arabi chairs G20.
 - Both sides cooperate in the **United Nations Counter-Terrorism Center**.

Challenges in India-Saudi Arabia Relations

- **Saudi – Pakistan relation:** Pakistan is a “historical ally” of the Saudis. Saudi gains from mostly unbridled military and political support from Islamabad and Rawalpindi, while the latter gains from financial infusions into its economy emboldened by the common theological bridge between the two states.
- **Ideological support to terrorism:** Saudi money has been accused of funding Wahhabi Islamic groups around the world, which ultimately channel to terrorist groups acting against India.
- **Saudi-Iran rivalry:** The sectarian rivalry is destabilizing West Asia and influencing West Asian geopolitics. Considering its economic interests in Iran, India needs to walk on a tightrope balancing relations between the two countries.
- **Saudi Arabia’s aggressive foreign policy in West Asia** (E.g. in Yemen and Syria): It is doing great damage to regional stability, which is India’s most important goal in the region.
- **Bilateral Issues:** The **working conditions for the Indian blue collared labourers** in Saudi Arabia have been a major bilateral concern. Restrictive visa & hiring policies, stringent labour laws, lack of human rights & absence of minimum wage provision has resulted into many cases of exploitation of Indian workers.

Way Forward

- As Saudi Arabia attempts to shed its ultra-conservative image and move towards a more open and moderate economy and society alike, **India is being seen as a major collaborator and market**.
- India needs to **continue the balancing act in West Asia** that allows it to have good relations with Saudi Arabia, Iran and Israel alike, the three poles of power at loggerheads with each other in the region.
- At the same time, **maintaining distance from regional fractures and conflicts** would allow India to pursue its economic and geo-strategic aims in the region.

India’s West Asia Policy

- In post-cold-war, India has largely **balanced its approach to the three poles of influence in the region** – Saudi Arabia, Israel, and Iran – in a successful manner so that none of them has overtly criticised New Delhi for dealing with the others.
- The reason behind this is India’s **‘Look West’ policy adopted in 2005**. Main features of the policy are
 - **A Secular and Non- Aligned Policy:** India’s policy towards the region will be shaped by its policy of nonalignment in the context of the region’s religious (Muslims and Jews) and sectarian (Shia-Sunni) conflicts.
 - **Diplomacy at various levels:** Commitment to Diplomacy outlining closer government-to-government (G2G) relations draws attention to the vibrant business-to-business (B2B) and people-to-people (P2P) relationships.
 - **Move towards India’s Non-Ideological Policy:** The seismic changes in the Middle East compelled India to revisit its Middle East policy that had been anchored on Arab socialism, secularism and Soviet friendship. India not only had to co-habit with US domination but also engage rising conservatism in the region. In practical terms this meant devising a policy that was driven **more by economic calculation than political rhetoric**.
 - **Major emphasis on Maritime Diplomacy:** The seas surrounding West Asia have assumed a major emphasis in Look West Policy due to energy and economic security they offer now for India.

4.4. CHABAHAR-ZAHEDAN RAILWAY LINE

Why in news?

Iran has decided to proceed with the construction of rail line **from Chabahar port to Zahedan**, along the border with Afghanistan, without India.

Background

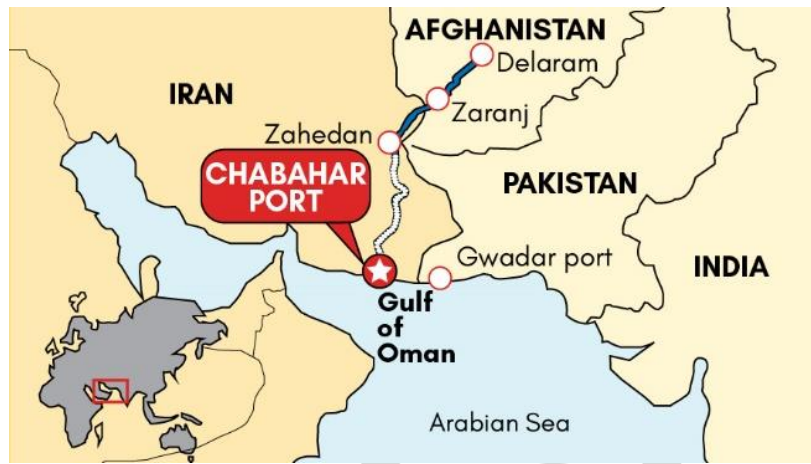
- In 2016, the **Trilateral Agreement** on Establishment of International Transport and Transit Corridor was signed among India, Iran and Afghanistan.

- The transit and transportation corridor allows Indian goods to reach Afghanistan through Iran, bypassing Pakistani territory, and complements the **Zaranj-Delaram** highway built by India in Afghanistan in 2009.

- Under this agreement, India committed towards **developing Chabahar port** as well the land-based route connecting the port to Afghanistan.

- India also signed a pact with Iran to provide requisite services for the **construction of Chabahar-Zahedan railway line**, that cuts down travel time from the Chabahar port to the Iran-Afghanistan border.

- To facilitate it, a Memorandum of



Understanding (MoU) between India's IRCON (the specialized constructions organization associated with the Ministry of railways) and the Construction, Development of Transport and Infrastructure Company (CDTIC) of Iran was signed.

Difficulties in India's involvement in the project

- **Delays due to U.S. sanctions:** USA re-imposed sanctions on Iran after withdrawal from Joint Comprehensive Plan of Action. While India was given a special waiver for Chabahar port and rail line, the project suffered due to-

- bureaucratic delays in USA for actual clearance of the import of heavy equipment.
- difficulties in finding equipment suppliers and funding partners due to worries they could be targeted by the U.S.

- **Bureaucratic and diplomatic hurdles in India:** such as operational hurdles, delays in dispersal of funds, lack of effective communication and diplomatic coordination etc.

- For instance, Iran is also going ahead with **developing the Farzad-B gas block** without India.

- **Chinese influence:** There is also an opinion that Iran might be using the proposed China-Iran 25-year deal, to play potential investors against each other

Rising Chinese influence in Iran

- **Belt and Road Initiative (BRI):** Under the BRI umbrella, China is presently strengthening its ties with Iran, Saudi Arabia, UAE, Egypt and other Middle East countries using engagements such as construction of stadiums, railways, industrial parks, 5G highways, clean energy project etc.
- **Recently agreed 25-year comprehensive strategic cooperation between Iran-China:** The draft 25-year, \$400 billion agreement includes allocations in Iran's transport, manufacturing sector etc. which will give way to Chinese companies, equipment and workers in Iran.
- **Gwadar-Chabahar connectivity:** Iran proposed a **tie-up between Gwadar and Chabahar** last year. It can impinge on India's strategic ties with Iran,.
- **Bandar-e-Jask port:** Iran has offered interests to China in this port located just 350km away from Chabahar. The Bandar-e-Jask port can extend China's control along the Pakistan-Iran coast.
- **Other concerns in the region:**
 - Expanding presence of Chinese submarines in the Indian Ocean.
 - Iran leveraging China and Pakistan as potential investors for the Chabahar Special Economic Zone.
 - The 2019 joint naval exercise between China, Iran, and Russia in Gulf of Oman.

Possible impact on India

- **Access to Afghanistan:** Repeated instances of a disjointed India-Iran bilateral will inevitably result in reduced Indian presence, influence, and leverage at Chabahar, affecting India's relationship with Afghanistan.
- **Countering China's presence in the region:** Indian cooperation projects suffering delays can make it easier for China to expand its footprint in the region (see box).
- **India's leadership in regional connectivity:** In the long run, Chabahar port and the rail project was envisaged to be connected to the proposed **International North-South Transport Corridor (INSTC)** that could link Mumbai to Moscow by sea and land.

- The INSTC has the potential to open up a more reliable and cost-effective trade route for India to Europe, Russia and Central Asia.

Way forward

- India needs to improve its implementation record of foreign infrastructure projects by fast tracking diplomatic talks and **timely dispersal of funds**.
- India needs to find a **balance between its diplomatic ties with Iran and U.S.A**. An effective and clear arrangement that reduces the impact of US sanctions on Iran on India's projects needs to be worked out.
- Although Iran has proceeded with the construction of rail project, **Iran hopes India will help it procure equipment in the second phase of the project**. India can use this opportunity to establish productive bureaucratic and diplomatic channels for involvement in the project.

फाउंडेशन कोर्स सामान्य अध्ययन

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- मौलिक अवधारणाओं की समझ के विकास एवं विश्लेषणात्मक क्षमता निर्माण पर विशेष ध्यान
- एनीमेशन, पॉवर प्वाइंट, वीडियो जैसी तकनीकी सुविधाओं का प्रयोग
- अंतर - विषयक समझ विकसित करने का प्रयास
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- निबंध लेखन - शैली की कक्षाएं
- करंट अफेयर्स मैगजीन

5. AFRICA

5.1. INDIA AFRICA

Why in news?

India's foreign Minister reiterated growing importance of India-Africa relations.

Importance of Africa for India

India has significant political, strategic, economic and maritime stakes in engaging with Africa.

- **Resource rich region-** Africa is very resource-rich and has moved from being an underdeveloped continent to having several fast-growing economies, and new democracies.
- **Economic Growth-** The economic growth of the continent that is estimated to be 3.2 per cent in 2018. It also houses six of the **world's fastest growing economies** as per world bank estimates. Additionally, several African countries have been providing incentives to attract foreign investors and partners in growth thus providing an opportunity for India.
- **Reform in global institutions-** India's ambition to become a permanent member of the UN Security Council makes it imperative that it engages with all 54 countries of the continent.
- **Investment opportunities for private sector-** A number of Indian multinationals already have significant interests and investments in the region, with strategic sectors including agribusiness, pharmaceuticals, information and communications technology (ICT), and energy.
 - Africa has emerged as an important market for Indian goods and services, as well as a vital element in India's quest for strategic minerals and other natural resources needed to feed its burgeoning economy.
 - India can also unleash massive possibilities in digital penetration in the continent.
- **Convergence of interest-** Two partners are aligned on the outstanding issues at the **World Trade Organization (WTO)** and are in favor of multilateral trading systems. At the Bali Ministerial in 2013 too, Africa and India had united in seeking an interim mechanism for safeguarding minimum support prices to farmers against WTO caps till a permanent solution is found and adopted.
 - **Cooperation to tackle terrorism:** India strongly advocated stepped-up cooperation through intelligence exchange and training with 54 African countries.
 - There's a convergence of interest for **reforming the Security Council**. It is imperative for both sides to speak in "one voice" for Security Council reforms.
 - **Peace keeping operation:** India is the largest contributor to UN-mandated peacekeeping and other operations in Africa, with more than 30,000 personnel involved in 17 of 22 total missions in the region since 1960.
 - India provides a **useful model for African nations of democratic development**. India is increasingly responding to requests from African governments to share its democratic experience, offering training on electronic voting systems, parliamentary procedures, federal governance, and an independent judicial system to strengthen the rule of law.

Relations between India and Africa

- **Economic:** Trade between India and Africa has **increased more than eight-fold from US\$7.2 billion in 2001 to US\$63 billion in 2017-18**. It further has the potential to grow threefold to \$150 billion in next five years.
 - India is the **fifth largest country investing in the continent**, with investments over the past 26 years amounting to \$54 billion.
- **People to people contact:** There has been a welcome surge in people-to-people contacts as large numbers of African entrepreneurs, medical tourists, trainees and students have started coming to India and Indian experts and entrepreneurs have headed there.
- **Business-to-business:** Indian businesses are active across geographic spaces and sectors in Africa like agri-business, engineering, construction, film distribution, cement, plastics, and ceramics manufacturing, etc.
- **Indian foreign aid to Africa:** Through various developmental initiatives like ITEC, Pan-African e-network etc (in box).



- As the **COVID-19 pandemic has continued to affect the globe**, the relatively developed India has **used its economic capacity, medical equipment, and medicine, to assist African countries**. The availability of Indian-manufactured drugs has also been essential in the fight against the HIV and AIDS pandemic in Africa
- **Asia-Africa Growth Corridor:** It is an economic cooperation agreement between **India and Japan** that envisages closer engagement between Asia and Africa for “sustainable and innovative development” and will be anchored to four pillars.
 - Development and cooperation projects in health and pharmaceuticals, agriculture and agro-processing, farming, manufacturing and disaster management;
 - Building quality infrastructure and connecting institutions;
 - Enhancing capacities and skills; and
 - People-to-people partnership.
- **Sub-national organizations and State governments** have also been crafting independent relationships with African counterparts. E.g. Kerala is planning on importing cashew from African countries for its processing plants that are running low on raw material.

India's challenges in Africa

- **Political instability:** Political instability in number of African Nation may impact India's long-term investment opportunities. E.g. **South Sudan experiencing civil war since 2013**.
- **Terrorism in Africa:** There has been an extraordinary increase in terrorist attacks by extremists connected to al-Qaida and ISIS across Africa over the recent years.
- **Attacks on Africans in India:** The spate of assaults on Africans based in India. Will generate a negative image of India in Africa and may impact on century-old ties with the continent.
- **Lack of Coordination** between Indian State and its businesses in Africa and the role of India Inc. is limited while drafting policies. This limits the strengths of both actors that can be leveraged.
- **Financial Limitations:**
 - In terms of **cheque book diplomacy**, India cannot compete with China or U.S. Some of the African countries, even the richer ones like Nigeria, expect India to bear gifts for them under India Africa Forum Summit. However, India asserts for joint endeavor for better development.
 - Resources available even from traditional donors belonging to the OECD and from multilateral financial institutions are diminishing despite **adoption of ambitious Sustainable Development Goals (SDG)** making India Africa development partnership even more important.
- **China's strong presence in the continent:**
 - China is a strong competitor for India in Africa. Africa China trade amounts to **US\$220 billion**. China even built up its first overseas military base in **Djibouti**.
 - China's **aggressive economic approach** has caused it to achieve more influence in Africa than any other country. However, the African nations are increasingly realizing that though Chinese investments are attractive, there are certain issues like:
 - ✓ Chinese companies, instead of employing locals use **Chinese workers**.
 - ✓ It is also seen that these companies don't pay much attention to **environment protection**.
 - ✓ Chinese loans come with **strict conditions** that only Chinese technology will be utilized.
- These concerns have mainly been raised by civil society; however, many governments have also started looking beyond China. This offers opportunity for India to increase its involvement.

India's developmental initiatives in Africa

- **Indian Technical and Economic Cooperation (ITEC)** that aims at capacity building, skill development, transfer of technology and sharing of experiences with the partner countries. Around 5000 scholarships have been offered to officials from African countries under this.
- **Pan-African e-network:** Launched in 2006, this is a joint effort of India and African Union with an aim to provide satellite connectivity, tele-education and tele-medicine services to the African countries.
- **Cooperation with African Development Bank (AfDB):** India joined AfDB in 1983 and has contributed to its General Capital increased and has also pledged capital for grants and loans.
- **Development Assistance:** In India Africa Forum Summit (2015), India announced a US\$ 10 billion line of credit to help financing the projects in African countries, capacity building, IT education, and higher education.

Way forward

Indian Prime minister in his speech in Ugandan parliament, **outlined a vision for not just a bilateral relationship with Africa but also a partnership at the global level. The key guidelines of the vision include:**

- Development **partnership guided by Africa's priorities** with focus on building local capacity and create local opportunities.
- **Harnessing India's experience with the digital revolution** to support Africa's development; improve delivery of public services; extend education and health etc.
- Partnership on **improving agriculture, addressing climate change**, strengthening cooperation and mutual capabilities in combating terrorism and extremism; keeping cyberspace safe and secure etc.
- Work together to ensure that **Africa does not once again turn into a theatre of rival ambitions**, but becomes a nursery for the aspirations of Africa's youth.

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6. EUROPE

6.1. INDIA-E.U. RELATIONS

Why in news?

15th India- European Union (EU) Summit was held through a virtual medium.

Key Outcomes of the Summit

- ‘**India-EU Strategic Partnership: A Roadmap to 2025**’ was adopted to guide cooperation between India and the EU over the next five years.
- Agreed to establish regular **High-Level Dialogue** to guide negotiations on **Broad-based Trade and Investment Agreement (BTIA)** and to address multilateral issues of mutual interest.
- Agreement between **India-EURATOM (European Atomic Energy Community)** on research and development cooperation in the **peaceful uses of nuclear energy** was signed.
- Adopted declarations on **Resource Efficiency and Circular Economy**, decided to **launch a dialogue on maritime security**, renewed Agreement on Scientific cooperation.

Overview of India- E.U. Relations

- **Background**
 - India-EU relations date to the early 1960s, with India being **amongst the first countries to establish diplomatic relations** with the European Economic Community.
 - **First India-EU Summit** took place in 2000. In 2004, the relationship was upgraded to a ‘**Strategic Partnership**’.
- **Economic and commercial relations**
 - EU as a block is **India's largest trading partner**, accounting for €80 billion worth of trade in goods in 2019 (11.1% of total Indian trade).
 - Also, EU is **the biggest foreign investor in India**, with €67.7 billion worth of investments made in 2018 (22% of total FDI inflows).
- **Defence and security cooperation**
 - EU and India have instituted several mechanisms for greater cooperation on pressing security challenges like **counter-terrorism, maritime security, and nuclear non-proliferation**.
 - **Information Fusion Centre** – Indian Ocean Region in New Delhi (IFC-IOR) has recently been linked-up with the **Maritime Security Centre** – Horn of Africa (MSC-HOA) established by the EU Naval Force (NAVFOR).
- **Cooperation in Science and Technology**
 - EU is supporting the **Mobilize Your City (MYC) programme** in India currently in three pilot cities to reduce their urban transport-related Green House Gas (GHG) emissions.
 - Also, both have official mechanisms in fields such as **Digital Communications, 5G technology, Biotechnology, artificial intelligence** etc.

Concerns in relations

- **Stalled EU-India BTIA:** It is being negotiated since 2007 and both sides have major differences on crucial issues such as-
 - **EU's demands:** significant duty cuts in automobiles, tax reduction on wines, spirits etc, a strong intellectual property regime, relaxation in India's data localisation norms, protection to all its items with Geographical Indication etc.
 - **India's demands:** ‘**Data secure**’ status (important for India's IT sector); Ease norms on temporary movement of skilled workers, relaxation of Sanitary and Phytosanitary (SPS) and Technical Barriers to Trade (TBT) norms etc.
- **Trade imbalance:** India accounts for only 1.9% of EU total trade in goods in 2019, well behind China (13.8%). Trade imbalance is expected to further increase with ratification of the **European Union Vietnam Free Trade Agreement (EVFTA)** and the **EU-Vietnam Investment Protection Agreement**, which will make Indian exports less competitive.
- **India's perception of EU:** It views EU **primarily as a trade bloc**, preferring bilateral partnerships with Member States for all political and security matters. This is evident from **lack of substantive agreements on matters such as regional security and connectivity**.
- **Brexit:** It is unclear how U.K.'s withdrawal from EU will affect India's relation with EU as whole.
- **Human Rights concerns of EU:** The European Parliament was critical of both the Indian government's decision to scrap Jammu and Kashmir's special status in 2019 and the **Citizenship (Amendment) Act**.

- **People to People Relations**
 - India and the EU organize Festivals of culture (e.g. **Europalia-India festival**), exchanges on heritage such as **yoga & Ayurveda** etc.
 - There are over **50,000 Indian students** currently studying in various European Universities, many of whom are under EU's **Erasmus Mundus** scholarship programme for higher education.
- **Factors shaping India-EU relations in the current times**
 - **Changing Geopolitical developments:** As highlighted by **EU strategy on India**, released in 2018, EU sees EU-India relations in the context of broader geopolitical developments, **primarily the rise of China**. Impact of China in Europe and Asia (e.g. Belt and Road initiative) has **pushed EU to change the nature of its partnerships in the region**, particularly with India.
 - **Convergence of interests in the Indian Ocean** as the Indian Ocean is the main **conduit for global trade and energy flows**. India, EU see each other as partners in securing the Indian Ocean by **strengthening institutions, rule of law, and a regional security architecture**.
 - **Retreat of the U.S. from global leadership** and uncertainty of US policy under Trump has provided opportunities for EU- India cooperation and trilateral dialogues with countries in the Middle East, Central Asia and Africa.
 - **Strategic rivalry between the US and China:** Both EU and India have a common interest in avoiding a bipolarized world and sustaining a **rules-based multilateral trading system** with the **United Nations and the World Trade Organization** at its core.
 - **Green governance:** After the US exit from the Paris climate agreement, India and the EU stand to gain from a joint leadership on global governance matters such as climate change, clean energy or circular economy.
 - **New emerging world order after COVID-19:** As EU seeks to move away from a global supply chain that is overly dependent on China, India **can emerge as its most natural ally**.

Way Forward

- To translate their common values into common action, EU and India can work in **third countries to consolidate democratic processes** and build capacities of transitioning regimes through strengthening electoral and parliamentary institutions.
- EU can collaborate with India to facilitate **connectivity and infrastructure projects in third countries**, particularly smaller states in South Asia that often fall prey to power politics and fiscal instability resulting from China's loans and political influence as part of its BRI.
- Thus, as highlighted by **EU strategy on India, adopted in 2018**, India EU should take their relations beyond **"trade lens"**, recognizing their important geopolitical, strategic convergences.

6.2. INDIA-UK RELATIONS

Why in news?

India and UK held the **14th Joint Economic and Trade Committee (JETCO)** meeting virtually.

Overview of India-UK relations

UK-India relationship is rooted in **India's colonial history** with the British and the relationship shared by both countries even after India's independence. The bilateral relationship was upgraded to a **strategic partnership in 2004**. Key areas of relation between two are:

- **Trade and investments:**
 - Trade between India and UK touched **\$15.5 billion** with a \$2 billion trade surplus in favour of India. UK is the 4th largest inward investor in India accounting for around 7% of all foreign direct investment into India. India is the second largest investor in the UK.
 - There are **842 Indian companies in the UK**, employing more than 110,000 people.
 - This year, both sides agreed to establish **'Enhanced Trade Partnership'**, which is the first step towards a free trade agreement.
- **Defence Relations**
 - **Ajeya Warrior** (army-to-army biennial exercise), the Konakan (joint navy-to-navy annual exercise) and the **Indradhanush** (joint air-to-air exercise) happens between India and UK.
 - A **bilateral Defence Consultative Group (DCG)** meeting has taken place annually between the top officials of the Defence Ministry since 1995.



- **Science and Technology**
 - Joint investment in UK-India research has grown from less than **£1 million in 2008 to over £200 million**.
 - By 2021, the **UK-India Newton-Bhabha programme** will be provided with more than £400m on joint research and innovation.
- **Cultural and Diaspora Relations**
 - The year 2017 was declared as **UK India year of Culture**. The 2011 census records approximately **1.5 million people of Indian origin in the UK** equating to almost 1.8 percent of the population and contributing 6% of the country's GDP.
 - In 2017 almost **one million Britons visited India**. Also, there has been a **gradual mainstreaming of Indian culture** and absorption of Indian cuisine, cinema, languages, religion, philosophy, performing arts, etc. in UK.

Issues in India-UK relations

- The **UK does not have a government-to-government framework for arms sales** to India, relying instead on commercial-led transactions.
- UK is an **active participant in Belt and Road Initiative of China** for which India raised sovereignty issues.
- **Colonial hangover** in public is affecting the policy makers of India to take decisions for close relations with UK.
- **Brexit raises major issues** for Indian business:
 - Political uncertainty and oscillating business policy along with fluctuating market share and prospect.
 - Restructuring to set up EU subsidiaries of Indian companies.

Way forward

- Two sides should reinvigorate the crucial bilateral relationship, with Britain supporting India's greater international role, and its global aspirations for a **permanent seat in the UN Security Council and membership in the Nuclear Suppliers Group**.
- **Britain looks at Commonwealth** (group of 53 states, with majority part of the former British Empire) as a sort of post-Brexit lifeboat. Britain and India could work the Commonwealth in concert and to mutual benefit.
- UK and India can **engage with the Indian ambitions** for urbanization, digitization and skill development. There is **scope for collaboration** in areas of education, science, and creative industries etc.
- For India, post-Brexit cover a range of highly desirable scenarios such more **employment opportunities in Britain for skilled Indian workers**. Also, **India can conclude an FTA directly with UK** as India-EU FTA talks are stalled over the years.

6.3. INDIA FRANCE

Why in News?

First ever **India-France-Australia Trilateral Dialogue** has highlighted the rising strategic convergences between India and France.

Key pillars of India France relationship

India and France have traditionally close and friendly relations. In 1998, the two countries entered into **Strategic Partnership** which is based on **three pillars of defence cooperation, space cooperation and civil nuclear cooperation**. In the recent years, there have been increasing convergences between both the countries. Key areas of cooperation include the following:

- **Partnership in the Indian Ocean**- France was the **first European country to launch an Indo-Pacific strategy and India is a key pillar in that strategy**. Thus, the relationship between India France has grown beyond bilateral to focus and includes intensified maritime and naval cooperation in Indian Ocean and more broadly the Indo Pacific.
 - France has **specific interests in the Indian Ocean due to its overseas territories** (Reunion Island and Mayotte) home to over a million French citizens, and more than 10% of the Indian Ocean's surface.
- **Strategic convergence**: On the regional front, France is as concerned as India at the rising Chinese profile in the Indo-Pacific. Both would like to work to offer credible alternatives to Chinese economic and

military assistance in the region. On the international front, both are deeply concerned about the breakdown of the rules based global order.

- **Global cooperation:** After their joint efforts to limit climate change and develop the International Solar Alliance, India and France have turned to more ambitious ideas. In this direction, both countries issued the **road map on cybersecurity and digital technology**.
- **France's support on international platforms-** France is among the countries that have consistently supported India's **permanent membership to UNSC**. Also, France has offered **unstinted support for India on targeting the sources of violent extremism in Pakistan and helped limit the international backlash against India's** effort to rewrite the rules of engagement in J&K.
- **Nuclear Cooperation-** After the nuclear tests in May 1998 when India declared itself a nuclear weapon state, France was the first major power to open dialogue and displayed a far greater understanding of India's security compulsions compared to other countries. Both signed, **civil nuclear cooperation agreement** in 2008.
 - **"Industrial Way Forward Agreement"** was signed in 2018, between France and India for the construction of **six nuclear reactors at Jaitapur**.
- **Defence Cooperation-** France remains a **vital source of arms supply to India**. Defence cooperation with France began in the 1950s when India acquired the Ouragan aircraft and continued with the Mystères, Jaguar, **Rafale, Scorpène submarines**, etc.
 - Both countries also signed **reciprocal logistics support agreement** to receive logistical support, supplies and services from each other during authorised port visits, joint exercises, etc.
- **Cooperation in Space and Technology** has continued since the 1960s when France helped India set up the **Sriharikota launch site**, followed by liquid engine development and hosting of payloads. Currently, other projects include joint satellite mission – TRISHNA (for eco-system stress and water use monitoring) and also accommodation of French instrument on India's OCEANSAT-3 satellite.
- **Counter terrorism:** Terror strikes in France by home-grown terrorists provide much scope for counterterrorism cooperation, in terms of both **intelligence-sharing and de-radicalisation strategies**.
 - Given its expertise in the sphere of urban planning **France is also helping in the Smart Cities Mission**. The three such smart cities are Chandigarh, Nagpur and Puducherry.

Way Forward

- Even though above specified areas provided a robust basis for engagement, it remained primarily at a **government-to-government level**. In recent years, it was clear that for a wider partnership, strengthening business-to-business and people-to-people relationships was essential. Also, the trade between India and France, although growing, is yet to reach its potential.
- By leveraging the potential of convergences, **France can be India's gateway to Europe** and India France's first strategic partner in Asia.
- The underpinnings of global geopolitics are being rapidly altered with China's rise, the West being consumed by internal problems and Russia, the "America First" priorities of the US Administration, and growing threats to globalization. With such background, France and India have a shared interest in developing a **coalition of middle powers with a shared commitment for a rule-based multipolar world order**.

6.4. INDIA-GERMANY

Why in news?

German Chancellor Angela Merkel along with a business delegation and cabinet colleagues came to India for the fifth round of the **biennial Inter-Governmental Consultations**.

Over view of India German relations

- **Economic & Commercial Relations:**
 - Germany is **India's largest trading partner in Europe** with bilateral trade was worth \$21.98 billion in 2017-18.
 - Under **'Make in India Mittelstand' (MIIM)** Programme, over 135 German Mittelstand and family-owned companies (SMEs) declared investment of more than 1.2 billion Euros.

- **Science & Technology:**
 - India Germany have **High Technology Partnership Group (HTPG)** for identifying specific opportunities for high technology collaboration under the “Make in India” programme.
 - Both decided on **cooperation in the Field of Artificial Intelligence and Digital Transformation**
- **Cultural relations:**
 - There are about **1,69,000 people of Indian origin** (2017 figures) in Germany, and about **20,800 Indian students** are pursuing various courses in Germany.
 - Promotion of teaching **modern Indian languages in German** educational institutions as agreed in 2015.
- **Global cooperation:**
 - Germany and India cooperate on the issue of **UNSC expansion within the framework of G-4.**
 - Germany supported **India’s bid for NSG membership** and is important participant in International solar Alliance.
- **Defence cooperation: India-Germany Defence Cooperation Agreement** was signed in 2006. Germany decided to facilitate **export of military equipment as well as technology sharing** with India.

Reasons for recent uptick in relationship

Recently, the **German Parliament passed a resolution on boosting ties with India** before Merkel arrived in Delhi. This shows increased importance of India in Germany’s larger geopolitical calculus. The reasons for this are:

- Germany, as the natural leader of Europe, is struggling to cope with **deepening uncertainties – economic, political and security** – in its own neighbourhood and the world. It is under pressure to take larger responsibilities for regional stability and contribute more to the maintenance of the global order.
- Amidst the **current unpredictability** of the US security policies, the increasing assertiveness of the Sino-Russian political axis, **Germany is looking to diversify its global partnerships** beyond the Euro-Atlantic space.
- Germany’s **concerns about China’s threat to the liberal international order**, including through its **state-driven Belt and Road Initiative**, are rising. It is beginning to pay serious attention to the expansion of China in the Indian Ocean.
- India too, is ending its prolonged strategic indifference towards Europe, willing to elevate engagements with Europe. In this context, **engaging Germany is not just about bilateral relations with Berlin.**
- In recent meet, unlike in the past, **defence and security have acquired a prominent place** in Indo-German discussions.

Conclusion

With Brexit, Germany has become more central to the process of rejuvenating Europe, and this therefore requires that we have stronger partnership with it. The complementarities between two in economic, security and other fields will lead cooperation as **‘win-win situation for both’**. Also, Indian PM noted that technological and economic power house like Germany would be useful in the path of building a **‘new India’ by 2022.**

6.5. BREXIT: UK LEAVES THE EUROPEAN UNION

Why in News?

The United Kingdom has officially left the European Union (EU) after 47 years of membership.

Consequences of BREXIT for the EU

- **Further Disintegration:** The Brexit vote may strengthen anti-immigration parties throughout Europe they could force an anti-EU vote in their countries.
- **Eurozone:** There is a risk that the euro may depreciate. In the longer run, however, the eurozone would have more power to drive economic and financial policy in the EU.
- **Protectionism:** Without the UK, the EU budget would have to do without the UK’s annual contribution which could lead to more fiscal protectionism.

Britain's proposed New Immigration Policy in post BREXIT era

- The UK government has announced that they are ending free movement and will introduce an Immigration Bill to bring in a firm and fair points-based system that will attract the high-skilled workers.

- **Security issues:** Brexit would reduce the EU's ability to tackle cross-border organised crime and transnational terrorism, unless new coordination and cooperation mechanisms can be established with the UK.
- **EU's Reputation:** Brexit would seriously threaten the EU's global standing and soft power status and its ability to play a greater role in contemporary world order.

Consequences for World Economy

- **Uncertainty:** Its global implications are harder to predict and may differ for different regions. It could also lead to a setback for free trade and globalisation.
- **Flight to safety:** Investors may start selling riskier assets such as stocks and seeking safety in government bonds.

Impact on India

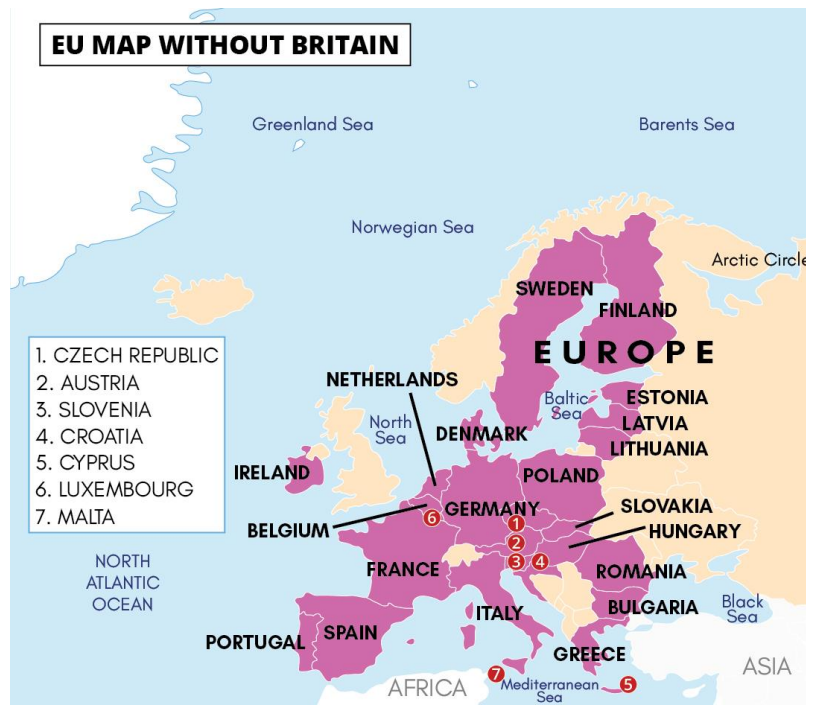
Key opportunities

- **Free Trade Agreement (FTA):** India may start talks on free trade deals with Britain, EU after Brexit.
 - EU and India have been negotiating a FTA since 2007. Despite growing trade between the EU and India, talks stalled in 2013, only resuming in 2018.
 - Potential sectors to benefit from an FTA between the UK and Indian include textile, machinery, engineering goods, information technology and banking.

European Union

- It is an **economic and political union** involving 27 European countries.
- It allows **free trade and free movement of people**, to live, trade and work in whichever country they choose.
- **Article 50 of Lisbon Treaty** provides for exit of member countries from European Union.
 - For any country to come out of European Union, it has to negotiate a settlement deal with EU.
- It has its own currency, the **euro**, which is used by 19 of the member countries, its own parliament and other institutions
- The United Kingdom joined it in 1973.

EU MAP WITHOUT BRITAIN



- **Demand for Indian Labour:** India's high proportion of skilled working-age population and high growth rate will be of particular interest for the UK.
- **Service sector:** India which is laying greater emphasis on innovation and high-end works could emerge as a major source of high-tech exports for the UK.
- **Easy market access:** India is the major Foreign Direct Investment (FDI) source for the UK because many Indian firms have used it as a gateway to Europe.
 - With the UK moving out of EU, it might offer more incentives such as tax breaks, easy regulations and opening up markets to Indian firms to keep them attracted.
- **Cheaper imports:** The UK's currency is expected to remain weaker, so it would be less expensive for Indian firms to import from their subsidiaries in the UK.

Key challenges

- **Political Risk:** It can cause regional uncertainty and the changing dynamics can potentially reverberate to reach Asia and thus India.
- **Impact of Global growth on Indian economy:** India cannot be isolated from the impact from global and regional subdued growth. Any global slowdown brought forth by Brexit could adversely affect India's growth in exports and manufacturing sector.

- **Dual Negotiation:** India's FTA negotiation with EU, which saw an impasse on the issue of bilateral investments, might now need a renegotiation of FTA with the union. Additionally, a separate trade agreement with the UK might also need to be worked on.
- **Currency weakness and unhedged exposure:** While The Indian Rupee is primarily anchored to the Dollar, the currency is not completely devoid of volatility, necessitating RBI's intervention when applicable.

Way forward

- India should fast track its negotiations on FTA with both EU and UK.
- India should look towards other countries for better access to EU market such as Germany, France, and Italy etc.
- Indian policy toward the region should be shaped keeping in mind the new De hyphenated dynamics of the region.

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7. RUSSIA

7.1. INDIA RUSSIA

Why in News

20th India-Russia annual summit was held in Vladivostok, Russia.

Background of India Russia Relations

- India and Russia have enjoyed good relations since 1947. India and the Soviet Union signed the **Treaty of Peace and Friendship** in August 1971 which was the manifestation of shared goals of the two nations as well as a blueprint for the strengthening of regional and global peace and security.
- After the **dissolution of the Soviet Union**, India and Russia entered into a **new Treaty of Friendship and Cooperation** in January 1993 and a bilateral Military-Technical Cooperation agreement in 1994. In 2000 both countries established a **Strategic Partnership**.

Key Pillars of India Russia relations

- **Defence partnership**- The defence ties are one of the highly influential aspects of their relation, and rest on 3 features of **technology transfer, joint development, marketing & selling and export of equipment**, an agreement nonexistent with any other country. It has provided significant enhancement to India's indigenous defence manufacturing.
 - Some of the major defence collaboration programs are: BrahMos Cruise Missile program, Sukhoi Su-30 and Tactical Transport Aircraft.
- **Economic Relations**- It is an important pillar of the relations yet there remains a lot of scope to improve it further. India and Russia are exploring various ways for enhancing bilateral trade.
- **Energy Security**- In Energy sector Russia has built **nuclear reactors** in India (Kudankulam reactors), adopted strategic vision in nuclear energy, offered oil, gas and investment opportunities in the fuel sector of Russia e.g. Sakhalin I etc.
 - Both are extending civil nuclear cooperation to 3rd countries, e.g. Bangladesh.
- **Space technology**- India and Russia have a four-decade strong relationship in the field of space. The former Soviet Union launched India's first two satellites, Aryabhata and Bhaskar. It has provided India Cryogenic technology to build heavy rockets.
- **International standing**- Russia has supported India's bid for permanent seat in UNSC. It has been favoring Indian entry to Nuclear Supplier Group. Both countries coordinate each other over various forums including BRICS, SCO, G20 etc.
- **Cultural Relations**- From people to people contacts (through programs like 'Namaste Russia') to sharing educational brilliance of both the countries through institutes like Jawaharlal Nehru Cultural Centre, both the countries have had good cultural links.

Reasons for recent downturn in relations

India Russia relations have remained close but they have lost intensity of India-Soviet relation. **Recently, there has been a definitive decline in India Russia Relations.**

- **India's growing proximity to the United States:** Rapidly expanding ties and growing defence relationship between India and US and, India joining quadrilateral group led by the US has led to a strategic shift in Russia's foreign policy. For Russia it has been a period of great hostility with West, thus pushing it to align with China.
- **Defence partnership:**
 - India has been recently diversifying its defence relations with US, Israel etc. Russia's share of Indian defense imports fell from **79 percent between 2008-2012 to 62 percent between 2013-2017**.
 - India US signed **four foundational agreements (Like Logistics agreement, Basic Exchange and Cooperation Agreement etc.)**, which shows enhanced interoperability between the two militaries. India Russia relation lacks this aspect.
- **One Dimensional Trade:**
 - Trade has been one-dimensional i.e. defence based. The trade in 2017-18 was \$10.7 billion, which is far below potential in comparison to India's trade with China (\$89.7 billion), the United States (\$74.5 billion).



- There are a number of **issues that hinder India-Russia trade**, like, connectivity issues, distance, weak banking links, cumbersome regulations on both sides and Russia's restrictive visa regime.
- **Russia's changed foreign policy posture:**
 - **Towards Pakistan:** Russia in 2014 lifted arms embargo on Pakistan. Russia and Pakistan conducted a military exercise in September 2016. In 2017, a military-technical cooperation agreement was signed which deals with arms supply and weapon development. All these factors raised concerns in India.
 - **Towards China:** Increasing strategic military relations between Russia China also impacted India Russia relations. Russia has sold advanced military technology to Beijing, endorsed China's One Belt One Road. There has also been concern about Moscow leaning toward Beijing in forums like the BRICS. Also, China and Russia inaugurated the first cross-border pipeline between their countries, called the "**Power of Siberia**" to pump natural gas to China from Russia's far-east regions which shows increasing collaboration between two.
 - **Towards Taliban:** Russia is showing **inclination towards Taliban** in Afghanistan while India continues to have concerns about the group.

Steps taken to address the downturn in relations

- **Sochi Informal Summit 2018:** The strategic partnership between the two has been elevated into a "**special privileged strategic partnership**".
- **Reinforced defence ties:**
 - **Both countries finalized**, Su-400 air defence systems and nuclear-powered submarine (Chakra III) deal, construction of Ka-226 helicopters in India under Make in India initiative showing the depth of defence relationship.
 - **The first ever Tri Services Joint Exercise between Indian and Russian Armed Forces Exercise** INDRA-2017 was successfully conducted.
- **Improving trade relations:**
 - In 2017 **trade between both countries increased** by 20%. Two countries decided to reach USD 30 billion investment goal by 2025. In this direction, **India Russia Strategic Economic Dialogue** was started in 2018.
 - India participated in **Eastern Economic Forum (2020)** which aims to support the **economic development of Russia's resource rich Far East**. Also, India has extended a \$1 billion line of credit for the development of this region. Also, proposal for **maritime route between Chennai and Vladivostok** has been made.
 - Also, there are talks of the signing of an **FTA between Indian and the Eurasian Economic Union (EEU)**.
- **Strengthening Energy and science & technology cooperation**
 - **Cooperation in development of oil in Russia** including its arctic shelf and joint development of projects on the shelf of the Pechora and Okhotsk Seas. E.g. Vankorneft and Taas-Yuryakh in Russia and the participation of the PJSC Rosneft oil company in the Essar Oil capital.
 - Also, India voted in favour of a Russian led UN resolution to set up a **separate convention on cybercrime**.

Way forward

Despite growing divergences on various areas, both sides know importance of each other in changing, uncertain global environment. The **investment in the Far East**, which is often neglected given that Russia is seen as a European power in the post-Soviet era, also underlines **India's desire to draw Russia into its strategic forays in the Indo-Pacific**. Also, since the onset of the Covid-19 outbreak, Indian Prime Minister and Russian President have spoken a couple of times, while Indian Defence Minister undertook a **trip to Russia for its 'Victory Day' parade, the first high-level visit from India to any country** during the pandemic. Also, despite the threat of US sanctions under the Countering America's Adversaries Through Sanctions Act (CAATSA), India has remained firm on buying the S-400 Triumf air defence missiles system. All these shows, that the relations between both are on a stronger trajectory.

8. USA

8.1. INDIA US

Why in news?

The second edition of India-US 2+2 ministerial dialogue took place in Washington D.C., U.S.A.

Background of India US relations

India USA have seen ascendance of relationship in the 21st century, which was crystalised by 2008 India Nuclear Civil Nuclear Agreement. Various factors, including LPG reforms, rise of China, increasing influence of Indian community in USA are the factors behind this. Also, the shared values of democracy, rule of law, human rights, religious freedom bind the countries together. Key areas of cooperation and recent developments in the relations are:

- **Economy:** US is India's largest trading partner and inbound FDI from the US is in excess of \$50 billion. While Indian and U.S. negotiators failed to forge a trade deal, they would work on a legal framework for a future deal which can become Phase 1 of a comprehensive bilateral trade agreement.
- **Energy cooperation:** US India launched Strategic Energy Partnership, in 2018, to enhance energy security, bolster strategic alignment etc.
 - **Nuclear Power Corporation of India Limited (NPCIL) and Westinghouse Electric Company** are looking to **finalize the techno-commercial offer** for the construction of **six nuclear reactors**.
 - Also, India has **started importing crude and LNG from the US** in recent years, with total imports estimated at \$6.7 billion — having grown from zero.
- **Collaboration in science, technology and innovation:** It is one of the strong pillars of cooperation between two. E.g. During COVID-19, **Indo-US Virtual Networks for COVID-19 were established** to provide a platform to enable Indian and American scientists from academia, to carry out joint research activities.
 - Both are set to launch joint mission of NASA and ISRO, the world's first dual-frequency Synthetic Aperture Radar satellite in 2022.
- **Global partnership:**
 - This has been **most defining feature of partnership** between two. Both are part of **Quadrilateral security dialogue**, and collaborate on forums like East Asia Summit, G-20. Also, US expressed interest to India's integration to G-7. This has been happening in the backdrop of **rising aggression of China** in the region and beyond, which is seen by the US and India as a common strategic challenge.
 - To promote "**high quality, trusted standards for global infrastructure development**" India US along with others proposed **Blue Dot Network**. It is an **across-the-board certification process** that aims to bring governments, the private sector and civil society together. It is seen as counter to China's Belt and Road Initiative.
- **Diaspora and people to people ties:** Strength of Indian diaspora in US is around 4.5 million which is around 1% of its population. Indian diaspora is a **source and agent of soft power**, an effective public diplomacy tool and is acknowledged for its work ethos, discipline, non-interference and peaceful living with the locals.

Frictions in India USA relations

- **Trade related Transactionalism of USA:** It was manifested in **USA policies under former President Trump**, like removal of India from its list of developing countries and taking off India from list of beneficiary-developing countries under its scheme of Generalised System of Preferences (GSP) by US.
- **Tariffs war:** Since 2018 both countries were engaged in tariffs war. E.g. In 2018, the US imposed additional tariffs of 25% on steel and 10% on aluminium imports from various countries, including India. India's **refusal to remove the 20% tariffs on ICT products** caused the trade deal between India and USA to delay which remains still pending.
- **WTO disputes:** India USA are involved in WTO disputes on issues like, Capping prices of medical devices by India, greater Indian market access for American agriculture and dairy products etc.
- **IPR:** India is also on U.S.'s "Priority Watch List" which identifies **countries posing challenges to American intellectual property rights**. Also, The US wants India to strengthen patent regulations, and to ease the limitations American companies investing in India face.

- **H1B visas:** US has ramped up H-1B denials under the executive order “Buy American and Hire American”. H-4 visas have also been issued at a much lower rate.
- **U.S.’s soft policy towards Pakistan:** US President said US’ relationship with Pakistan is a “very good one” and in 2019, U.S. decided to resume The International Military Education and Training Programme (IMET) that had been a central pillar of the U.S.-Pakistan military cooperation for years.
- **USA tensions with Iran, Russia:** Putting unilateral curbs on Russian and Iranian imports into India through CAATSA would impinge on India’s relations with Iran, Russia, both relations in which India has strong stakes.
- **Divergence of interests in Afghanistan:** In the backdrop of Afghan Peace deal, if the U.S. leaves Afghanistan, it will directly **strengthen the hands of the Taliban in Afghanistan**, which means Pakistan’s profile in Afghanistan will be lifted.
- **View on Indo-Pacific strategy:** While **USA policy on Indo-Pacific is directed to counter rise of Chinese footprint**, India proclaimed that it **follows a free, open, and inclusive Indo-Pacific (FOIIP)** policy which differs from US’ free and open Indo-Pacific (FOIP) policy.

Way forward

- Despite the differences in some areas, the upward trajectory in India USA relations indicates a sense of **greater nuance to the need for institutionalisation of bilateral ties** — towards not only graduating the bilateral dynamic away from over-dependence on chemistry between the top political leadership, but also design frameworks in a manner that maximise convergences between the two countries.
- The changing geopolitics, and **increased Chinese aggression** necessitates closer cooperation between India USA. Thus, the relationship is two-sided. Just as India benefited from US inputs during Doklam and recent India China standoff, the US has benefited from Indian defence spending.
- Differences remain, as between any two countries. But **attempts have been made over the past year to reach accommodations**. The consequences of heightened US tensions with Iran have been managed, with India given time and space to diversify its energy supplies while receiving a waiver from US sanctions for the port project in Chabahar. These show respect for each other’s interests.
- While US need to be **more sensitive towards India’s reservations against its soft policy towards Pakistan**, India needs to **prepare itself for a larger security role in Afghanistan** in a big way. Pakistan’s leverage in Washington is likely to decrease as the US scales back its presence in Afghanistan and the Gulf. Also, India needs US considering the Chinese challenge – on borders, in South Asian region and the IOR.

India US Defence cooperation will be covered in Mains 365 updation.

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9. INDIA-CENTRAL ASIA

9.1. INDIA-CENTRAL ASIA DIALOGUE

Why in News?

The 2nd meeting of the India-Central Asia Dialogue was held virtually.

Highlights of the meeting

The Joint Statement released collectively by the Foreign Ministers highlighted following key points-

- **Emphasis on the need to continue close cooperation** against COVID-19 pandemic.
- **Condemnation of terrorism in all its forms and manifestations:** All states reaffirmed the determination of their countries to combat the menace by **destroying terrorist safe-havens, networks, infrastructure and funding channels** and also underlined the need for every country to ensure that its territory is not used to launch terrorist attacks against other countries.
- **Extension of support for a united, sovereign and democratic Republic of Afghanistan.**

India's interests in the Central Asia

- **Mineral resources:** Central Asian countries have abundant mineral resources such as petroleum, natural gas, antimony, aluminium, gold, silver, coal and uranium which can help ensure energy security for India. For example-Kazakhstan has the largest uranium reserves in the world.
- **Strengthening India's role in Peace negotiations in Afghanistan:** India has always advocated for resolution of the Afghan conflict on the principle of Afghan-led, Afghan-owned and Afghan-controlled peace process, which can be facilitated by support from Central Asian countries.
- **Connectivity:** Central Asia lies in the middle of the Eurasian Continent and can help India achieve connectivity to Europe. The region is important for India to develop its transit and transport potential through regional and international transport corridors such as **the International North-South Transport Corridor (INSTC)**.
- **Economic opportunities:** Central Asia is a huge consumer market for a range of goods and services, which can be provided by India including IT services, tourism, tea, pharmaceuticals etc.
- **Ensuring regional peace and stability:** Instability in the region can have wide ranging implications for India due to regional proximity and effect on India's overseas projects such as the TAPI pipeline. Some critical issues faced by the region include-
 - **Terrorism and radicalization** with existence of terrorist safe-havens, networks, infrastructure and funding channels
 - **Threat of the proliferation of Weapons of Mass Destruction (WMD)** as the region remains highly vulnerable to the smuggling of fissile material for WMD
 - **Illegal Drug trade** emanating from 'Golden Crescent' of opium production (Iran-Pak-Afghan)

About India-Central Asia Dialogue

- India holds this dialogue with **five Central Asian countries**-Kazakhstan, Tajikistan, Turkmenistan, Uzbekistan and the Kyrgyz Republic.
 - All the countries participating in the dialogue, **except for Turkmenistan**, are also members of the **Shanghai Cooperation Organisation**.
- The 1st meeting of the India-Central Asia Dialogue held in January 2019 in Samarkand (Uzbekistan).
 - Also, **Afghanistan attended the 1st and 2nd meetings** as a special invitee.
- The dialogue provides a platform for strengthening cooperation between India and the Central Asian countries in **political, security, economic and commercial, development partnership, humanitarian and cultural spheres** as well as exchanging views on **regional and international issues** of mutual interest and enhancing cooperation under the framework of UN and other multilateral fora.





Challenges

- **Growing influence of China in Central Asia:** China's One Belt and Road Initiative (BRI) seems to be a credible threat to India's objective on overcoming connectivity issues with Central Asia to ensure strengthened economic-political relations.
- **Lack of accessibility:** India does not share physical borders with any of the Central Asian states and the unstable situation in Afghanistan, impact of US-Iran tensions on regional connectivity projects and India's antagonistic relations with Pakistan has further complicated connectivity and trade prospects for India.
- **Domestic challenges faced by the region:** emerging from religious extremism, authoritarian regimes, terrorism, ongoing conflicts etc is in itself a challenge in furthering India's economic interests.

Way forward

- India should **leverage the historical, cultural and civilizational bonds** as well as traditionally close people-to-people contacts to build its Central Asia partnership.
- **ICABC can help promote business linkages, facilitate greater understanding of taxation,** business regulations in India and the Central Asian countries and incentivize trade, business and investment, especially in the area of Small and Medium Enterprises.
- Through Central Asia Dialogue, **India has the opportunity of actively engaging in the economic reconstruction of Afghanistan,** including through the implementation of infrastructure, energy, transit and transport projects.
- India should effectively use **Chabahar port in Iran** to establish trade and transport communications with Central Asian markets.

Conclusion

India and Central Asia face a myriad of common challenges like terrorism, extremism, drug trafficking and such other issues. All these commonalities make them natural partner in their developmental journey and calls for greater cooperation in regional and global arena.

Efforts by India to enhance engagement in the Central Asia

- **Provision of US\$ 1 billion Line of Credit:** by India for priority developmental projects in fields such as connectivity, energy, IT, healthcare, education, agriculture etc. in Central Asia.
- To facilitate transport of goods between India and Central Asia via Iran, India acceded to the Customs Convention on International **Transport of Goods under cover of TIR Carnets in 2017** and **joined the Ashgabat Agreement** – which includes Iran, Oman, Turkmenistan, and Uzbekistan – in 2018.
- **High Impact Community Development Projects (HICDP):** Under these projects India provides Grant assistance for furthering socio-economic development.
- **India-Central Asia Business Council (ICABC):** It was launched in February 2020 and comprises the Federation of Indian Chambers of Commerce and Industry (FICCI) and chambers of commerce from the 5 central Asian countries.
- **Other measures-**
 - hosting of **Central Asian media delegation** in India in April 2019.
 - the **training of Central Asian diplomats** at the Sushma Swaraj Foreign Service Institute in New Delhi in July 2019.
 - **Annual International Dance Festival with a focus on Central Asia,** organized by the Indian Council of Cultural Relations (ICCR) in New Delhi in December 2019.
 - The Indian Government in 2019, extended a **line of credit of US\$200 million, for military equipment to Kyrgyzstan** seeks to modernise its defence systems.
 - In 2019, India signed a uranium supply agreement with Uzbekistan

10. LATIN AMERICA AND THE CARIBBEAN

10.1. INDIA-MERCOSUR

Why in news?

The FTA talks between India and MERCOSUR were stalled due to differences within MERCOSUR.

About India MERCOSUR trade talks

- MERCOSUR is a **trading bloc in Latin America** comprising Brazil, Argentina, Uruguay and Paraguay (Venezuela's membership has been suspended from 2016). MERCOSUR was formed in 1991 with the objective of **facilitating the free movement of goods, services, capital and people among the four member countries**.
- India and MERCOSUR **signed a Framework Agreement in 2003** with aim to create conditions and mechanisms for negotiations in the first stage, and in the second stage, to negotiate a free trade area between the two parties.
- On these lines, a Preferential Trade Agreement (PTA) was signed in 2004. The aim of this PTA was to expand and strengthen the existing relations between MERCOSUR and India and **promote the expansion of trade by granting reciprocal fixed tariff preferences**.
- India and MERCOSUR have been in talks for **expanding the tariff lines** from current list of 450 products to 1500-2000.
- **Advantages of FTA with MERCOSUR:**
 - MERCOSUR became a successful regional **market of more than 290 million people with a GDP of more than two trillion US dollars**.
 - It is the **fourth largest integrated market** after EU, NAFTA and ASEAN.
 - This expansion of the agreement is expected to **enhance trade relations between the countries involved, and to achieve a trade target of \$30 billion in 2030**.
 - **As a gateway to Latin America:** India's trade with MERCOSUR in 2013 was 15.2 billion US dollars accounting for **60% of India's total trade with Latin America**. Thus, investments and exports to MERCOSUR will create scope for Indian industries to integrate with other Latin American countries.
 - **Individual FTAs with members are difficult** because as per current provision of the MERCOSUR charter the member countries are forbidden to sign any free trade bilateral agreements with non-member countries without the consensus of all the members.
- **Challenge:** The key reason for delay in expansion talks has been due to differences amongst the members of the groupings, especially Brazil and Argentina.

Way forward

This expansion is **in line with the government's policy of expanding the trade basket** and also its efforts to **expand the existing trade ties with the countries in the region**. Recently, Brazil has assured that it would lead trade talks (As it assumed chairmanship of the MERCOSUR) for early conclusion of the talks. Despite internal differences within MERCOSUR, India must show its willingness to upgrade India- MERCOSUR relations into a more comprehensive economic partnership agreement.

10.2. INDIA-CARICOM

Why in news?

Indian PM interacted with CARICOM (Caribbean Community) leaders on the side-lines of UNGA assembly.

Key outcomes of the meet

- It was the **first-ever meeting of PM Modi with CARICOM leaders** in a regional format and highlighted the steadily intensifying and deepening relations between India and partner countries of the Caribbean, not only in the bilateral, but also in the regional context.
- The meet focused on fighting climate change and increasing India's participation with the grouping.
- PM announced **14 million US dollar grant** for community development projects in Caricom & 150 million line of credit for solar, renewable energy and climate change related projects.

Scope of India CARICOM relations

- **Historical and cultural connect:** India's relations with the Caribbean countries can be traced back to the early nineteenth century. From this period till the early part of the twentieth century many indentured agricultural labourers from different parts of India were transported there to work in the plantations.
- **Indian diaspora:** CARICOM countries have presence of more than a million-strong Indian diaspora which act as a vibrant and enduring link of friendship with the Caribbean. Ethnic Indians comprise between thirty to forty percent of the population in Guyana, Suriname and Trinidad and Tobago.
- **Trade:** India exports mostly pharmaceutical products, iron and steel, machinery and instruments to CARICOM. Crude petroleum, gold, metalliferous ores and scrap are major items that India imports from CARICOM. It being a single market gives opportunity to diversify exports as well as imports.
- **Investments:** For India, acquiring and renovation of hotels in the CARICOM region, which is a very popular tourist destination is bound to be fruitful. Investments in popular Indian style Ayurveda/ Yoga / Wellness centres in these hotels could really cater to the rising demand for such services.
- **Developments assistance:** India has agreed to grant US\$ one million to the CARICOM Development Fund (CDF) in 2019. This makes India a development partner as CDF's directive is to give financial and technical assistance to countries or sectors within the Caribbean Community in areas such as the development of renewable energy or increasing energy efficiency etc.

About CARICOM

- It is treaty among Caribbean countries to promote economic integration and cooperation among its members, to ensure that the benefits of integration are equitably shared, and to coordinate foreign policy.
- **Members of CARICOM include:** Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, and Trinidad and Tobago India CARICOM.
- It is a **single market and economy** intended to benefit the people of the region by providing more and better opportunities to produce and sell goods and services and to attract investment.

Conclusion

Having the advantage of a sizeable Indian diasporic community in the region along with the natural complementarities of products for trade with the region, this is the right time for closer cooperation and exploring further avenues for interaction for India—both bilateral and multilateral—based on multiple areas of mutual interests and concerns with the CARICOM countries.



11. IMPORTANT INTERNATIONAL/REGIONAL GROUPS AND SUMMITS

11.1. ROLE OF WHO

Why in news?

There have been allegations on the course of action pursued by the WHO in the COVID-19 pandemic. These developments have fuelled observers to suspect China's influence on the organisation, and raises questions regarding its politicisation.

About World Health Organisation (WHO)

- **Origins-** The WHO was established in 1948 as a United Nations (UN) **specialised agency**.
 - The potential for spread of diseases due to globalisation, mobility and urbanisation called for the need to create a global institution to expand international health cooperation.
- **Structure-** The WHO has a three-tiered structure, comprising:
 - The **World Health Assembly-** It is the supreme decision-making body comprising all member states to determine policy direction.
 - The **Executive Board-** It comprises of technical experts to oversee the implementation of WHA's decisions.
 - The **Secretariat-** It is headed by the Director General and functions as WHO's administrative and technical organ with the overall responsibility for implementing its activities.
- **Funding-** The WHO is funded through a system of assessed and voluntary contributions.
 - **Assessed contributions** are paid by all member states, and are calculated on the basis of a country's gross national product and population.
 - **Voluntary contributions** are amounts voluntarily paid by other UN organisations, private companies, individuals, NGOs as well as member states.
 - ✓ The US was the WHO's largest contributor and paid a total of \$893 million in both assessed and voluntary contributions in 2019.
- **Authority to challenge governments-** The IHR grants WHO the authority to take actions that can challenge how governments exercise sovereignty in the following ways-
 - WHO can collect **disease-event information** from non-governmental sources, seek verification from governments about such information, and, if necessary, share the information with other states.
 - WHO director-general can declare a **public health emergency of international concern**, even if the state experiencing the outbreak objects.
 - WHO has the authority to **reinforce the requirement** that a state party shall provide the scientific and public health justification for trade or travel restrictions that do not conform to WHO recommendations or accepted disease-control measures.
 - The IHR requires states parties to protect human rights when managing disease events, which are led by the WHO.

Criticisms of WHO during COVID-19

- **Lack of preparedness-** The WHO already had access to data and years of subsequent research about the SARS outbreak.
 - In 2015, the coronavirus family of diseases was selected to be included in a list of priorities requiring urgent research and development.
 - This assessment was reiterated in WHO's 2018 annual review of prioritised diseases.
- **Delay in declaration-** WHO has been criticised for its unexplained delay in declaring COVID 19 as a '**public health emergency of international concern**' (PHEIC).
 - It had declared when the confirmed cases had increased tenfold across 18 countries.

International Health Regulations (2005)

- It represents an agreement between 196 countries including all WHO Member States to work together for global health security.
- Through IHR, countries have agreed to build their capacities to detect, assess and report public health events.
- **Public Health Emergency of International Concern-** A PHEIC is defined in the IHR as, "an extraordinary event which is determined to constitute a public health risk to other States through the international spread of disease and to potentially require a coordinated international response".
 - Some instances of PHEIC are H1N1 influenza pandemic (2009), west Africa Ebola epidemic (2014), Zika virus outbreak (2016) etc.

- WHO also delayed its declaration as a **'pandemic'**, especially when the COVID 19 was exhibiting the characteristics of a pandemic, i.e. spreading rapidly around the world.
- **Indecision in visiting China**- The WHO did show any urgency in sending an investigation team to China. A joint WHO-Chinese team went to Wuhan only in mid-February.
- **Exclusion of Taiwan**- Since China acceded to the UN in 1971, it has periodically blocked Taiwan's WHO membership on the grounds that the democratically governed island is part of China.
- **Delay in acknowledging human-to-human transmission of the virus**- especially, after the first case was announced outside China.
 - This is despite the fact that **Taiwan** had warned the WHO of this as early as end of December, 2019.
- **Not endorsing the use of trade and travel restrictions**- The explosion of travel restrictions that countries implemented to counter COVID-19 prompted arguments that these restrictions violated the IHR, violations that the WHO did not probe despite having authority to do so.
 - Rather, the WHO urged the international community to not spread fear and stigma by imposing travel restrictions.
- **Alleged lack of independence**- It has been alleged that the current WHO Director General, who won his election with the backing of China has been generous in his approach towards China.
 - **Appreciation of China's swift response**- WHO DG praised the Chinese leadership for "**setting a new standard for outbreak control**" and its "**openness to sharing information**", especially when there is sufficient evidence of concealment of the outbreak.

Arguments against the criticism of WHO during COVID-19

- **Lack of capacity with WHO**-As presented in the box, the WHO lacks functional capabilities to challenge the governments politically.
- **Alleged geopolitics over the issues**- From the beginning itself, the countries framed the epidemic in geopolitical terms and blamed China for the tragedy.
 - In fact, the WHO was largely unable to keep United States and European countries following its advice.
 - Countries like South Korea and Germany who were active were able to contain the spread.
- **Development of vaccines**- WHO's efforts to advance development of coronavirus vaccines and therapeutics have been appreciated.
- **Countering misinformation**- The WHO's efforts in sharing of information and its attempts to counter online misinformation and disinformation have earned widespread praise.

Way Forward

- The criticism being faced by the WHO has done great damage to its global reputation and standing.
 - While the politicisation of the WHO remains a serious concern, it also presents an opportunity to rethink the underpinnings of the broader global governance architecture.
- The WHO reforms announced few months back should be implemented on a war footing.
 - Its donor dependency and weakened capacity should be addressed effectively, to meet its triple billion targets in future.
- India can also contribute towards providing stability and trust to the working of the organisation.

Issues with WHO

- **Lack of defined functions**- There is no single document which comprehensively describes its responsibilities, obligations and powers with respect to infectious diseases.
 - A collection of documents, such as treaties, regulations like International Health Regulations (IHR), WHA resolutions and operational practices manifest WHO's powers
- **Recommendatory powers**- The WHO's authority is recommendatory in nature and include proposing conventions, agreements, public health practices and international nomenclatures.
 - Unlike bodies like World Trade Organisation (WTO), it has no ability to bind or sanction its members.
- **Capacity to work in an outbreak**- The organisation's responsibilities during a pandemic include surveillance, monitoring and evaluation, developing guidance for member states.
 - Its coordinating authority and capacity are weak and it merely works as a **technical organisation**.
 - It relies on bureaucracy and regional offices for control.
 - It lacks the **ability to direct an international response** to a life-threatening epidemic.
- **Limited funding**- WHO's annual operating budget, about \$2bn in 2019, is smaller than that of many university hospitals, and diversified among an array of public health and research projects.

11.1.1. WORLD HEALTH ASSEMBLY (WHA)

Why in news?

Recently 73rd World Health Assembly (WHA) was convened which was the first ever virtual health assembly.

About WHA

- WHA is the **decision-making body** of World Health Organisation (WHO).
- It is **attended by delegations** from all WHO Member States and focuses on a specific health agenda prepared by WHO Executive Board.
- **Main functions** of WHA:
 - determine the policies of WHO,
 - appoint the Director-General,
 - supervise financial policies and
 - review and approve proposed programme budget.
- WHA is **held annually in Geneva, Switzerland**.

Key Outcomes of WHA

- WHA adopted the **resolution for impartial, independent and comprehensive** evaluation of the WHO's response to the pandemic as well as the identification of the "zoonotic" **source of the coronavirus**.
 - It specifically mentions to evaluate the **actions of WHO and their timelines pertaining to the COVID-19** pandemic.
- Called for **universal, timely and equitable access and fair distribution** of all quality, safe, efficacious and affordable essential health technologies and products in response to COVID-19.
- Called for **removal unjustified obstacles** in consistent with agreement on **Trade-Related Aspects of Intellectual Property Rights** (TRIPS Agreement) and the flexibilities within **Doha Declaration on TRIPS Agreement and Public Health**.

Related news: WHO executive board

- Indian Health Minister took charge as the **chairman of the WHO Executive Board**.
- Executive Board is **composed of 34 technically qualified members** in the field of health are elected for three-year terms. It meets at least twice a year.
- **Primary function of the board** is to implement the decisions of WHA, advise and facilitate its work.
- **Chairman post is held by rotation** for one year among 6 regional groups Africa, Americas, South East Asia, Europe, Eastern Mediterranean and Western Pacific.

Doha declaration on the TRIPS agreement and public health

- It was **adopted in 2001, by World Trade Organization (WTO) Members** to clarify ambiguities between the need for governments to apply the principles of public health and terms of TRIPS.
- This Declaration affirms that **TRIPS Agreement does not and should not prevent Members** from taking measures to protect public health.

11.2. DISPUTE SETTLEMENT SYSTEM OF WTO

Why in news?

Some members of WTO established Multi-party Interim Appeal Arbitration Arrangement as contingency appeal arrangement for trade disputes.

More on news

- It has been setup as WTO's dispute settlement body has become dysfunctional.
- It offers **arbitration outside the Appellate Body** upon mutual agreement of the parties.
- It can be used between **any WTO members** when WTO Appellate Body is not functional.
- **India, USA are not part** of the agreement of MPIA.

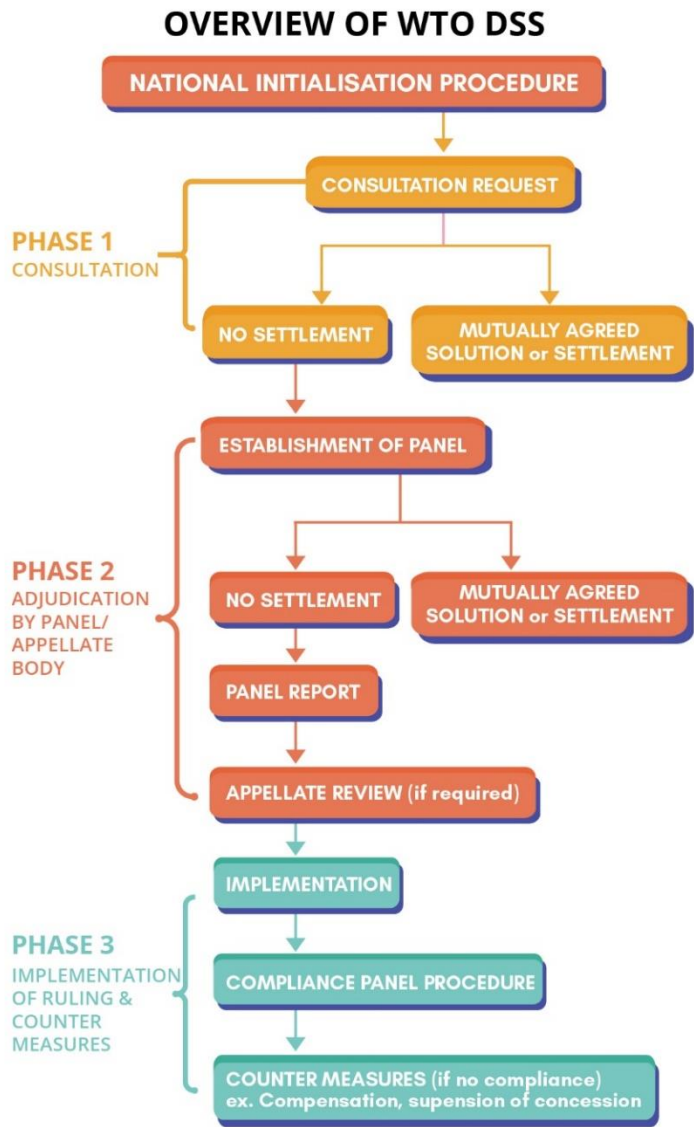
About Dispute Settlement System

- Dispute Settlement System (DSS) is a **mechanism to resolve trade disputes** between member states. It utilises both political negotiation and adjudication for dispute resolution.
- The **Uruguay Round negotiations** (1986-1994) culminated in the creation of the DSS and the adoption of the Dispute Settlement Understanding (DSU) to govern trade disputes between member states.
- The **DSU** embodies important **principles** for the functioning of the DSS:
 - to provide stability and predictability to the multilateral trading system

- to establish a fast, efficient, dependable and rule-oriented system to resolve disputes
- **Dispute Settlement Body:** The General Council is WTO’s highest decision-making body and it also meets as the DSB.
 - It is essentially a **political body** and it administers rules and procedure of the DSU.
 - Decisions are taken here by the **reverse consensus method**. That is, the decision is adopted unless there is consensus against it.
- **Appellate Body (AB):** AB is a seven-member permanent organ that adjudicates appeals within the DSS.
 - Members are appointed by the DSB for four-year terms.
 - It follows the positive consensus mechanism.

Significance of the DSS

- In the 24 years of its functioning, the DSS has received over 500 complaints and has seen a **compliance rate** of around 90 percent in its cases, which is very high in comparison to other major international adjudicatory.
- DSS maintains the **stability** and **predictability** of the **rules based multilateral trading system**. This in turn supports a **stable trade policy** followed by different countries, which directly benefits farmers, manufacturers, industries, businesses and others.
- DSS protects the **interests of developing countries and LDCs** by continuing to be a rules-oriented system as opposed to a power-oriented one.
- By ensuring dispute resolution, it serves the main purpose of trade negotiations under WTO. Thus, it lends **practical relevance** to the **WTO** as a multilateral organisation.



Issues faced by DSS

Appointment of AB members		
Issue	Description	Proposed solution
Appointment of AB members	Appointment takes place through consensus. It is easy for onemember state (US, in this case) to block appointments.	Appoint members by majority voting, and not consensus. <i>Additional reforms:</i> Increasing the number of AB members, the term of their office, and a provision for automatic launch of AB selection process before the expiry of their term of office.
Procedural issues		
AB treats its decisions as precedent	Panels follow these precedents despite the absence of cogent reasons to do so. Some countries have contested this, as there is no legal provision that allows the AB to do so.	<ul style="list-style-type: none"> ● A better approach would be to allow the AB to consider the extent to which prior reports can be relevant and useful to the dispute, and furnish reasons in their reports for doing so. ● Sometimes, referring to prior reports helps in clarifying the application of WTO law to future disputes, since Panels and AB cannot operate in a vacuum.
AB exceeds its judicial mandate	AB’s jurisdiction is limited to reviewing “issues of law” and “legal interpretations developed	<ul style="list-style-type: none"> ● AB should exercise judicial economy and limit itself to only the issues raised by parties. ● A possible external review mechanism has been proposed to

	by the panel". AB sometimes goes into factual questions, and this has been criticized.	consider whether the AB has overstepped its mandate.
Systemic issues		
Delays in the DSS procedure	Despite overall decrease in DSS workload, the average time taken to complete disputes has steadily increased.	<ul style="list-style-type: none"> Hiring more secretariat lawyers, streamlining translation process, reducing the length of panel etc. Speedy resolution of disputes will reduce the economic harm that can be suffered by complainant states during pendency of cases.
Developing countries and LDCs' access to the DSS	The DSS has overall witnessed lesser participation from developing countries and LDCs.	<ul style="list-style-type: none"> There is a need to give assistance to developing countries and LDCs in the negotiation stage, since most cases settle early with fuller concessions. The ACWL (Advisory Centre on WTO Law) can be mobilized to give assistance to countries during negotiations and consultations. Additionally, with increasing complexity of disputes and aging trade rules, it will be beneficial to use alternative mechanisms under the DSU like: (1) Consultation process, (2) Good offices, conciliation and mediation procedure, (3) arbitration.
No formal mechanism for dialogue between members and adjudicative bodies	Without a formal mechanism, there is no available forum for member states to raise and discuss new issues in the DSS.	<ul style="list-style-type: none"> Proposal for initiating annual meetings between DSB and AB. But there is a need for adequate transparency and ground rules for such proceedings, to avoid undue pressure on AB members.

India's experience with DSS

- India has been an **active participant** in cases before the DSS.
- India had lost some important **initial cases**, leading to far-reaching **law and policy reforms**:
 - The **"mail box" patents case** led to the enactment of the **Patents Amendment Act (1999)** to set up a legal basis for treatment of mailbox applications and for grant of exclusive marketing rights.
 - The decision against India in the **Quantitative Restrictions case** inspired India to bring several **reforms** in its **trade policies**.
- These losses also enabled India to increase its **human and institutional capacity**, enhance **involvement** of industry **stakeholders** and strengthen preparation of cases before the WTO.
- Some losses have enabled India to become a more **proactive litigant**:
 - After its defeat in the Solar Cells case, India complained and won against the US in a similar matter pertaining to domestic content requirement in the renewable energy sector.
- At the same time, India has initiated and **won** several important cases before the WTO, which have helped lay down **important jurisprudential principles for international trade law**.

Other challenges faced by WTO

- Stalled Doha Development Round negotiations:** They focused on reducing important trade barriers in sectors, such as agriculture, industrial goods and services. However, after a decade of talks, it still remains to be concluded.
- Growing protectionism:** Over the past two years, governments have introduced trade restrictions covering a substantial amount of international trade — affecting \$747 billion in global imports in the past year alone. WTO has been less effective in addressing them, including US China trade war. This raised questions over WTO's credibility.
- New emerging issues:** Groups of members are also working towards new rules on a range of issues — electronic commerce, investment facilitation, domestic regulation in services — that aim to make trade more efficient and predictable in cutting-edge sectors of the economy. However, the rising differences among developed and developing countries is delaying any early settlement.
- Side stepping WTO:** Since the launch of the Doha Round, **countries have turned to free trade agreements (FTAs) in order to gain significant trade access in new markets** and to explore new trade-related issues that are currently not addressed within the WTO. As more FTAs have been concluded, the central role of the WTO in liberalizing trade has been called into question.
- Limited success in major issues:** WTO has played a very limited role in helping address other global issues related to trade, such as food security, climate change and global trade imbalances.

Failure to negotiate effectively: Members are attempting to reach agreement on limiting fisheries subsidies (now in the 18th year of negotiations). Moreover, discussions on broader reform within the WTO have been being held over the last year or two, including efforts to restore vitality to the Committee process through improved notifications.

11.3. UNITED NATIONS HUMAN RIGHTS COUNCIL

Why in News?

Pakistan has been re-elected to the United Nations Human Rights Council despite opposition from activist groups over its abysmal human rights records.

United Nations Human Rights Council

- UN Human Rights Council (Council or HRC) was **established in 2006 by UN General Assembly (UNGA) resolution 60/251**. It is the principle intergovernmental body within the United Nations (UN) system **responsible for strengthening the promotion and protection of human rights around the globe**, and for addressing and taking action on human rights violations around the globe.
 - Human Rights Council **replaced the former United Nations Commission on Human Rights**.
- Council is made up of **47 member States who are elected by the UN General Assembly by a simple majority vote**, through a secret ballot. Members of the Council are **elected for three-year terms with one-third of the members being renewed each year**.
- Council membership is based on **equitable geographical distribution of seats** according to the following regional breakdown: 13 African States; 13 Asia-Pacific States; 8 Latin American and Caribbean States; 7 Western European and other States; 6 Eastern European States.
 - **All U.N. members are eligible to run for a seat** on the Council.
 - 117 countries have served as Council members so far, reflecting the UN's diversity giving it legitimacy when speaking out on human rights violations in all countries.
- **It holds three regular sessions per year of a total of at least ten weeks** and can call special sessions to react quickly to urgent country and thematic situations.
- Its **decisions, resolutions, and recommendations are not legally binding**.
 - As a subsidiary of the General Assembly, it reports directly to the Assembly's 193 members.

What are human rights?

- Human rights are rights we have simply because we exist as human beings – **they are not granted by any state**. These universal rights are inherent to us all, regardless of nationality, sex, national or ethnic origin, color, religion, language, or any other status.
- They **range from the most fundamental – the right to life – to those that make life worth living, such as the rights to food, education, work, health, and liberty**.
- Universal Declaration of Human Rights (UDHR), adopted by the UN General Assembly in 1948, was the first legal document to set out the fundamental human rights to be universally protected.
 - UDHR, together with the 2 covenants – the International Covenant for Civil and Political Rights, and the International Covenant for Economic, Social and Cultural Rights – make up the International Bill of Rights.
- **Key feature of Human Right**
 - **Universality:** principle of universality of human rights is the cornerstone of international human rights law. This means that we are all equally entitled to our human rights.
 - **Inalienable:** They should not be taken away, except in specific situations and according to due process. For example, the right to liberty may be restricted if a person is found guilty of a crime by a court of law.
 - **Indivisible and interdependent:** This means that one set of rights cannot be enjoyed fully without the other. For example, making progress in civil and political rights makes it easier to exercise economic, social and cultural rights. Similarly, violating economic, social and cultural rights can negatively affect many other rights.
 - **Non-discriminatory:** This principle is present in all major human rights treaties. It also provides the central theme of 2 core instruments: International Convention on the Elimination of All Forms of Racial Discrimination, and Convention on the Elimination of All Forms of Discrimination against Women.

It receives substantive and technical support from the U.N. Office of the High Commissioner for Human Rights (OHCHR), an office within the U.N. Secretariat.

Importance of HRC

- **Assessing the human rights records of all UN Member States** every four and a half years through the Universal Periodic Review.
- **Appointing independent experts** (known as “Special Procedures”) to review human rights violations in specific countries and examine and further global human rights issues.

- **Examining complaints from victims of human rights violations** or activist organizations on behalf of victims of human rights violations
- **Promote human rights education and learning as well as advisory services**, technical assistance and capacity-building, to be provided in consultation with and with the consent of Member States concerned;
- **Serve as a forum for dialogue on thematic issues on all human rights**;
- **Make recommendations to the General Assembly for the further development of international law** in the field of human rights;
- **Promote the full implementation of human rights obligations undertaken by States** and follow-up to the goals and commitments related to the promotion and protection of human rights emanating from the United Nations conferences and summits;

Issue with UNHCR

- **Membership Criteria:** Candidates commit to the highest standards of human rights, and states should take into account a nominee's human rights record when voting. Both of these rules are basically unenforceable.
 - There is a different view on human rights. US, for example, wanted only "democratic nations" to be eligible. Such a criterion would have led to debates over the meaning of "democracy", and would seem to prioritise civil and political rights over economic, social and cultural ones.
- **Geographical quota system:** Many times, countries have run unopposed after regional groups nominated the exact number of countries required to fill Council vacancies. Many experts contend that such circumstances limit the number of choices and guarantee the election of nominated members regardless of their human rights records.
- **Tainted democracies:** Most of the members elected in HRC have poor records in certain civil and political rights criteria, such as press freedom
- **Secret Ballot System:** Some Council observers have expressed concern that the Council's closed ballot elections in the General Assembly may make it easier for countries with questionable human rights records to be elected to the Council.
 - To address this issue, some experts and policymakers, have proposed requiring open ballots in Council elections to hold countries publicly accountable for their votes.
- **Politicisation of the HRC:** As the Human Rights Council's members are representatives of their governments, the Human Rights Council is a highly politicised body, like its predecessor. State governments are political constructs, so any institution made up of government representatives is inevitably political too.
 - States generally vote in favour of their national interests rather than human rights interests
- **Israel and the HRC:** Some experts observe that HRC is biased against Israel. It has aimed a disproportionate number of resolutions against that country.
 - Israel has been the subject of more special sessions than any other state (more than a quarter of the 28 sessions).
 - In 2018, **US pulled out of the UNHRC** calling it a "cesspool of political bias" that "makes a mockery of human rights".

UN Office of the High Commissioner for Human Rights (OHCHR)

- OHCHR, a department of the United Nations Secretariat, is mandated to **promote and protect the enjoyment and full realization, by all people, of all rights established in the Charter of the United Nations** and in international human rights laws and treaties.
- The mandate includes **preventing human rights violations, securing respect for all human rights, promoting international cooperation to protect human rights, coordinating related activities** throughout the United Nations, and strengthening and streamlining the United Nations system in the field of human rights.
- In addition to its mandated responsibilities, the Office leads **efforts to integrate a human rights approach within all work carried out by United Nations agencies.**

Conclusion

Human rights are often described as Important pillar of the UN. More needs to be done to ensure that substantive outcomes in the Council are catalysts for change, especially at the national level, where most improvements to human rights protection must be made.

11.4. NON-ALIGNED MOVEMENT SUMMIT

Why in news?

Vice-President Venkaiah Naidu attended the **18th Non-Aligned Movement (NAM) summit at Baku in Azerbaijan.**

About NAM

- The Non-Aligned Movement was formed during the Cold War as an organization of States that **did not seek to formally align** themselves with either the United States or the Soviet Union, but sought to remain **independent or neutral.**
- The Movement has its origin in the Asia-Africa Conference held in Bandung, Indonesia in 1955. "**Ten Principles of Bandung**", were proclaimed at that Conference were guiding principles of NAM.
- NAM was founded and held its **first conference (the Belgrade Conference) in 1961** under the leadership of India, Yugoslavia, Egypt, Ghana, and Indonesia.
- It has **120 members as of 2018** comprising 53 countries from Africa, 39 from Asia, 26 from Latin America and the Caribbean and 2 from Europe (Belarus, Azerbaijan). There are 17 countries and 10 international organizations that are Observers at NAM.
- **Key principles of NAM:** The **policy of non-alignment** was based on the **five** principles of Panchasheel. These principles were
 - mutual respect for each other's territorial integrity and sovereignty;
 - non-interference in each other's military and internal affairs;
 - mutual non-aggression;
 - equality and mutual benefit;
 - peaceful coexistence and economic cooperation.

The ten principles of Bandung were:

- Respect of fundamental human rights and of the objectives and principles of the Charter of the United Nations.
- Respect of the sovereignty and territorial integrity of all nations.
- Recognition of the equality among all races and of the equality among all nations, both large and small.
- Non-intervention or non-interference into the internal affairs of another -country.
- Respect of the right of every nation to defend itself, either individually or collectively, in conformity with the Charter of the United Nations.
- Non-use of collective defence pacts to benefit the specific interests of any of the great powers and Non-use of pressures by any country against other countries.
- Refraining from carrying out or threatening to carry out aggression, or from using force against the territorial integrity or political independence of any country.
- Peaceful solution of all international conflicts in conformity with the Charter of the United Nations.
- Promotion of mutual interests and of cooperation.
- Respect of justice and of international obligations.

Is NAM losing relevance?

Arguments in favour

- NAM is seen as based on alignments rooted in the **legacies of colonialism and the ideology of the Cold War.** With the end of cold war and changing world order NAM is seen as losing its relevance.
- Several members of the NAM including India have been **strengthening their engagement with the developed world** to invite capital, technology, better management practices, larger markets etc to improve the economic conditions of their citizens. These reduce scope for effective agenda for NAM bringing countries together.
- Confidence in and credibility of the movement has suffered in recent years because it has been relegated to the status of a talk-shop as it has **been unable to adequately address problems and threats that accost the developing world.**
- Also, there has been **scant agreement between members** on policies required to address challenges related to ensuring peace, security and economic development of developing countries.
- **Alternative platforms** like BRICS, IBSA, SCO and G20 etc have emerged with overlapping agendas, reducing need and scope for NAM.

Arguments against

- The philosophy and ideology of "Non alignment" lays emphasis on **strategic independence and autonomy**, and the "Non-Aligned Movement" seeks to take a **collective position on challenges** faced by the developing world. These principles shall always remain relevant.

- NAM was created to provide a **platform for autonomy of policy for newly independent** and developing nations, an objective that remains relevant today.
- **Developing countries share much in common, have similar experiences and shared aspirations**, even as they represent diverse peoples, circumstances and levels of development. NAM is a large grouping that can shape global responses to such challenges, as it has done in the past.
- **NAM remains an important platform for the leaders of the countries** to meet and discuss with each other on issues of bilateral, regional and international concern.

Way forward

- World is more interconnected and interdependent than ever before. Climate change, environmental degradation, terrorism, radicalisation, poverty, public health emergencies etc are challenges that can only be faced together, not when world is divided. It requires **collaboration, not coercion. In short, effective multilateralism remains the only answer. NAM can be that answer.**
- India called for the need for NAM keep pace with the **changing times and reform and revitalise the current arrangements and working methods.** This will allow NAM to pursue a positive and forward-looking and focused agenda.
- NAM should **not be positioned as 'for' or 'against' any ideology or groups of nations.** Rather NAM should identify select cross-sectoral challenges that require immediate attention. E.g. counter-terrorism, global governance reform, sustainable development, and South-South cooperation.
- A **democratic, effective, flexible, credible, transparent and representative, multilateral organisation** like NAM is imperative for 21st century world order.

Related news: **Online Summit of Non-Aligned Movement (NAM) Contact Group 2020** themed **United against COVID-19. Prime Minister participated in the summit. Key highlights of his speech are:**

- Highlighted that **democracy, discipline and decisiveness** can come together to create a genuine people's movement to fight COVID-19.
- Called for a **platform for all NAM countries, to pool experiences, best practices**, crisis-management protocols, research, and resources.
- Stating NAM as **World's Moral Voice**, he called for an **inclusive and cooperative global response** from all NAM countries in line with **founding principles** of the movement.
- He referred **terrorism, fake news, doctored videos** that divide communities and countries as **deadly viruses.**
- **Pointing out limitations of existing international system** he stressed on need of International institutions that are **more representative and inclusive.**
- Suggested to **promote human welfare** and **not focus on economic growth alone, highlighting Indian initiatives** like International day of Yoga, International Solar Alliance and Coalition for Disaster Resilient infrastructure.

NAM and Strategic autonomy

- Strategic autonomy denotes the **ability of a state to pursue its national interests and adopt its preferred foreign policy without being constrained** in any manner by other states. In its pure form, strategic autonomy presupposes the state in question possessing overwhelmingly superior power.
- NAM was seen as India's attempt to **preserve its strategic autonomy** in the years of early Independence, when the world was divided into 2 blocks, during cold war.
- NAM provided a platform for **newly independent developing nations to join together to protect this autonomy.** However, with the end of cold war and end of colonialism, apartheid, it was seen that Non-alignment lost its relevance as it failed to adjust itself to the changing global order.
- However, the **idea of strategic autonomy remains still and always relevant.** In the era after **COVID-19, World expects emergence of a new global order.** As a nation seeking to become an independent pole in global affairs, India could do more with forums like NAM in mobilizing support on issues of interest to itself.

11.5. INDIA ELECTED NON-PERMANENT MEMBER OF UN SECURITY COUNCIL (UNSC)

Why in news?

India has been elected as a non-permanent member of the UN Security Council for a two-year term.

India's Priorities at UNSC

During the election campaign at UNSC, Ministry of External Affairs launched a brochure outlining India's priorities. According to it, **India will be guided by the five priorities** under the overarching theme of **NORMS: New Orientation for a Reformed Multilateral System**. These priorities include

- **New Opportunities for progress:** India will work constructively with partners
 - to bring innovative and inclusive solutions to foster development
 - for greater involvement of women and youth to shape a new paradigm.
- **An Effective response to international terrorism:** India will pursue concrete and result-oriented action by the Council aimed at:
 - addressing the abuse of ICT by terrorists disrupting their nexus with sponsors and transnational organised criminal entities
 - stemming the flow of terror finance
 - strengthening normative and operative frameworks for greater coordination with other multilateral forums
- **Reforming the multilateral system:** Widespread concern at the inadequacy of the existing multilateral institutions to deliver results or meet new challenges.
 - Reformed multilateralism: a must for the post-COVID19 era.
 - A first and vital step is the reform of the Security Council. It must reflect contemporary realities to be more effective.
- **A comprehensive approach to international peace and security:**
 - Guided by: Dialogue and cooperation, Mutual respect, and Commitment to international law.
 - Call for greater clarity, direction, and professionalism in UN Peacekeeping Operations.
- **Promoting technology with a human touch as a driver of solutions:** India will encourage partnerships to harness the benefits of technological innovation to:
 - reduce human suffering
 - enhance ease of living
 - build resilient communities.

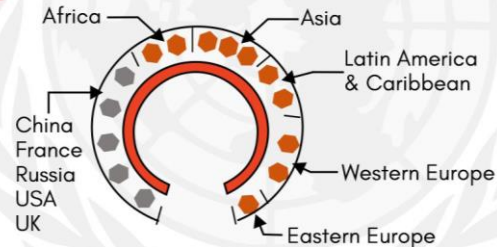
India will pursue these priorities through a **Five-S approach**: Samman (Respect), Samvad (Dialogue), Sahyog (Cooperation), Shanti (Peace) and Samridhi (Prosperity).

UN Security Council members

5 Permanent Members (having Veto Powers)



10 Non-Permanent Members (no Veto Powers)



- Each year, the General Assembly elects five non-permanent members for a two year term by a two-thirds majority.
- A retiring member is not eligible for immediate re-election. The election is held by secret ballot and there are no nominations.
- The 10 non-permanent seats are distributed on a regional basis
 - ▶ 5 from African and Asian States
 - ▶ 2 from Latin American States
 - ▶ 1 from Eastern European States
 - ▶ 2 from Western European and other States

11.6. UN PEACEKEEPING FORCES

Why in News?

Indian peacekeepers in South Sudan received prestigious **UN medal**.

More about the News

- About 850 Indian peacekeepers serving in South Sudan have been awarded for their service and contribution to building peace in the strife-torn nation and supporting the local communities.
- Currently, **2,342 Indian troops and 25 police personnel** are deployed with the UN Mission in South Sudan (**UNMISS**).

Types of Medals given by UN

- **Dag Hammarskjöld Medal:** A posthumous award to members of peacekeeping operations who lost their lives during service with a peacekeeping operation.
- **Captain Mbaye Diagne Medal:** To be awarded to those military, police, civilian United Nations personnel and associated personnel who **demonstrate exceptional courage**.
- **UN Medal:** To be awarded to military personnel and civilian police who **are or have been in the service** of the United Nations.

About UN Peacekeeping Forces

- UN Peacekeeping is an instrument developed by the UN as a way to help countries torn by conflict to create the conditions for lasting peace.
- The **first UN peacekeeping mission was established in May 1948**, when the UN Security Council authorized the deployment of UN military observers to the Middle East to monitor the Armistice Agreement between Israel and its Arab neighbours.
- Currently, more than 110,000 military, police and civilian personnel from 125 countries currently serve in 14 peacekeeping operations.
- The **financial resources** of UN Peacekeeping operations are the collective responsibility of UN Member States. Decisions about the establishment, maintenance or expansion of peacekeeping operations are taken by the United Nations Security Council.

Principles of UN peacekeeping:

These principles, act as a tool for maintaining international peace and security, are inter-related and mutually reinforcing:

- **Consent of the parties:** UN peacekeeping operations are deployed with the consent of the main parties to the conflict.
- **Impartiality:** Peacekeepers should be impartial in their dealings with the parties to the conflict, but not neutral in the execution of their mandate.
- **Non-use of force except in self-defence and defence of the mandate:** UN peacekeeping operations are not an enforcement tool. However, they may use force at the tactical level, with the authorization of the Security Council, if acting in self-defence and defence of the mandate.

India's contribution to UN peacekeeping

- India's contribution to UN peacekeeping dates back to its inception in the 1950s, when the Indian Army contributed troops as well as medical corps during the **Korean War from 1950 to 1954**.
- India has provided **more than 2 lakh military and police officers** to UN Peacekeeping over 70 years, in **more than 50 missions**.
- Currently India is among the **largest troop contributors in the world**, with over 7,500 personnel deployed in Cyprus, Congo, Haiti, Lebanon, the Middle East, South Sudan and Western Sahara, helping save lives, protect people and setting the stage for a lasting peace.
- India has **lost the highest number of its peacekeepers** in various UN peacekeeping operations in the last 70 years, with 168 military, police and civilian personnel from the country laying down their lives in the line of duty.
- India has a long **tradition of sending women on UN peacekeeping missions**. E.g. In 2007, India became the first country to deploy an all-women contingent to a UN peacekeeping mission.
- India's Specific Contributions-
 - In Eritrea, Indian engineers helped to **rehabilitate roads** as part of the UN Mission in Ethiopia and Eritrea (**UNMEE**).
 - **Indian doctors provide medical care** to the local population in missions around the world.
 - Peacekeepers have also brought the **ancient Indian practice of yoga** to UN missions.

11.7. UNITED NATIONS CONVENTION ON THE LAW OF THE SEA (UNCLOS)

Why in news?

Permanent Court of Arbitration (PCA) has given the ruling in Italian marine case under United Nations Convention on the Law of the Sea (UNCLOS).

About UNCLOS

- It is an international agreement that resulted from the third United Nations Conference on the Law of the Sea (UNCLOS III).
 - It was adopted in 1982 and **replaced the quad-treaty 1958 Convention on the High Seas** and came into force in 1994.

Permanent Court of Arbitration (PCA)

- It was established by the **Convention for the Pacific Settlement of International Disputes**, concluded at The Hague in 1899.
- It is an **intergovernmental organization providing a variety of dispute resolution services** involving various combinations of states, state entities, international organizations and private parties.
- PCA has a **three-part organizational structure consisting of:**
 - an Administrative Council that oversees its policies and budgets,
 - a panel of independent potential arbitrators known as the Members of the Court,
 - its Secretariat, known as the International Bureau, headed by the Secretary-General.
- It's headquartered is situated in **Hague, Netherlands**.
- **India is its member**.

- It defines the rights and responsibilities of nations with respect to their use of the world's oceans, establishing guidelines for businesses, the environment, and the management of marine natural resources.
- India signed the Convention in 1982 and ratified in 1995.
- The Convention has created three new institutions on the international scene:

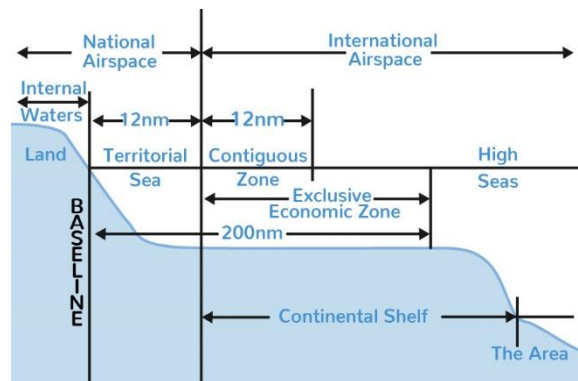
Dispute resolution mechanism under UNCLOS
 UNCLOS provides for a dispute resolution mechanism regarding maritime boundaries in which member states can choose either the

- International Tribunal for the Law of the Sea
- International Court of Justice
- Arbitral tribunal (constituted in accordance with Annex VII, UNCLOS)
- Special arbitral tribunal (constituted in accordance with Annex VIII, UNCLOS).

<p>International Tribunal for the Law of the Sea (ITLOS)</p> <ul style="list-style-type: none"> It is an independent judicial body established by the UNCLOS to adjudicate disputes arising out of the interpretation and application of the Convention. Disputes relating to the Convention related to the living resources of the sea, protection and preservation of the marine concern the delimitation of maritime zones, navigation, conservation and management environment and marine scientific research. It is composed of 21 independent members. It is open to States Parties to the Convention and other than States Parties like state enterprises and private entities. 	<p>International Seabed Authority (ISA)</p> <ul style="list-style-type: none"> It is an intergovernmental body based in Kingston, Jamaica, established by the United Nations Convention on the Law of the Sea. It is mandated to organize, regulate and control all mineral-related activities in the international seabed area beyond the limits of national jurisdiction, an area underlying most of the world's oceans. All Parties to the 1982 UNCLOS are members of ISA. 	<p>Commission on the Limits of the Continental Shelf (CLCS)</p> <ul style="list-style-type: none"> It has been assigned to play mainly two significant roles in the establishment of the outer limits of the continental shelf beyond 200 nautical miles of a Coastal State. <ul style="list-style-type: none"> to evaluate the claim of a Coastal State for an area of the continental shelf beyond 200 nautical miles. provide scientific and technical advice to the Coastal State in its preparation of its submission of the claim. It shall consist of 21 members who shall be experts in the field of geology, geophysics or hydrography, elected by States Parties to the Convention from among their nationals.
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UNCLOS divides marine areas into five main zones:

- There is the low-water line called **Baseline along the coast** as officially recognized by the coastal state.
- Internal Waters:** These are waters on the landward side of the baseline from which the breadth of the territorial sea is measured.
- Territorial Sea:** It extends seaward up to 12 nautical miles (nm) from its baselines.
 - The coastal states have sovereignty and jurisdiction over the territorial sea. These rights extend not only on the surface but also to the seabed, subsoil, and even airspace.
- Contiguous Zone:** It extends seaward up to 24 nm from its baselines.
 - The coastal state has the right to both prevent and punish infringement of fiscal, immigration, sanitary, and customs laws within its territory and territorial sea.
 - Unlike the territorial sea, the contiguous zone only gives jurisdiction to a state on the ocean's surface and floor. It does not provide air and space rights.
- Exclusive Economic Zone (EEZ):** Each coastal State may claim an EEZ beyond and adjacent to its territorial sea that extends seaward up to 200 nm from its baselines.
 - Within EEZ, a coastal state has sovereign rights for the purpose of exploring, exploiting, conserving and managing natural resources, whether living or non-living, of the seabed and subsoil.
 - Rights to carry out activities like the production of energy from the water, currents and wind.
- High Seas:** The ocean surface and the water column beyond the EEZ are referred to as the high seas.



- It is beyond any national jurisdiction. States can conduct activities in these areas as long as they are for peaceful purposes, such as transit, marine science, and undersea exploration.

11.8. NUCLEAR NON-PROLIFERATION TREATY AT 50

Why in news?

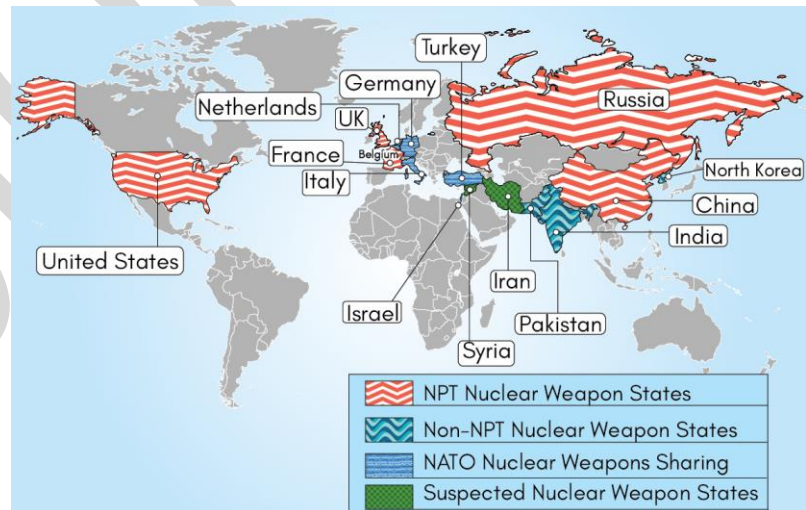
Nuclear Non-Proliferation Treaty (NPT) which came into force in 1970, marked its 50th anniversary.

About NPT

- **Objectives:** To prevent the spread of nuclear weapons and weapons technology, to promote cooperation in the peaceful uses of nuclear energy and to further the goal of achieving nuclear disarmament and general and complete disarmament.
- It is described as the “cornerstone of global nuclear non-proliferation and disarmament” and it is among the most widely-adhered-to global treaties.
- State funding of elections be considered only after some prerequisites, such as internal democracy in political parties and complete transparency in their financial affairs, are met.
- The Treaty represents the only binding commitment in a multilateral treaty to the goal of disarmament by the nuclear-weapon States.
- **India is a non-signatory to this treaty** and a total of **191 States have joined the Treaty**, including the five nuclear-weapon States.
- The treaty **defines nuclear-weapon states** as those that have built and tested a nuclear explosive device before **1 January 1967**; these are the United States, Russia, the United Kingdom, France, and China.
 - Four other states are known or believed to possess nuclear weapons: **India, Pakistan, Israel and North Korea.**
- **All countries** except the above four are **parties to the NPT.**
- NPT Review Conference is **held every five years** to review the operation of the treaty and consider means to strengthen it.

About IAEA

- It was founded in 1957 to **promote nuclear cooperation** and the safe, secure and peaceful use of nuclear technologies.
- It is a specialized agency integrated within the United Nations system but through its own international treaty “**The Statute of the IAEA**”.
- It has **three main roles**:
 - furthering peaceful uses of nuclear energy in science, especially for the critical needs of developing countries;
 - promoting nuclear safety and security for nuclear and radioactive materials in civilian use;
 - verifying in more than 900 civilian facilities that nuclear materials are not used in making nuclear weapons.
- The IAEA is not a party to the treaty but under the NPT, the agency has specific roles as the international safeguards inspectorate and as a channel for transferring peaceful applications of nuclear technology.



NPT: Milestones of Success

- **Dramatic reduction in the number of nuclear weapons of two cold era super powers:** From a peak of 70,300 warheads in 1986 to around 14,000 at present, with the US and Russia accounting for over 12,500.
- **Successfully prevented proliferation around the world:** Very few states have remained outside the treaty and have gone on to develop nuclear weapons.
 - Since 1970, only four countries have acquired nuclear weapons, bringing the total number of nuclear-weapon-states to nine.
- **Additional Protocol for detection:** This has created the right for inspectors to go to places where they suspect business. The treaty facilitates cooperation on peaceful applications of nuclear technology under the watch of the **International Atomic Energy Agency (IAEA)**.
 - It has helped make the nuclear inspections in the **Iran nuclear deal much more effective and in years ahead with North Korea.**

- **Creating nuclear weapon free zones:** Additionally, the states of many regions of the world have chosen to be part of nuclear-weapon-free zones in strong demonstration of their commitment to the objective of a world without nuclear weapons.

Concerns remaining

- **Power with P5 members:** The five nuclear weapon states recognised by the NPT (N-5) are also the **five permanent members of the UN Security Council (P-5)**, giving rise to the inevitable conclusion that **nuclear weapons remain the currency of political and military power.**
- **Increasing investment for nuclear arsenal and emergence of new technologies:** New technologies and types of weapons — including offensive cyber, counter-space, and hypersonic weapons — could further destabilize the security environment.
 - **Russia** is increasingly relying on nuclear weapons with **new investments into various exotic nuclear capabilities.**
- **Unsettled international security environment:** U.S. withdrawal from the **Joint Comprehensive Plan of Action (JCPOA)**; Iran rebuilding its enrichment program and tensions escalating between Saudi Arabia-Iran; Turkey's aspirations of being nuclear power; U.S.-North Korea negotiations at a halt, may polarise nations to adopt the path of nuclear proliferation.
- **Non-compliance:** It is the most serious non-proliferation challenge facing the NPT. The failure of some non-nuclear-weapon state parties to the treaty to comply with the NPT's provisions and their safeguards obligations erodes confidence and undermines the goals of the treaty.
 - NPT has been unable to prevent non-signatories India, Israel, and Pakistan from crossing the nuclear threshold and to prevent former NPT signatory North Korea from becoming a nuclear-armed state.
- **Possession of weapon:** NPT does not forbid a non-weapon state from possessing nuclear weapons (It forbids the acquisition, but in theory country with weapons could sign the NPT as a non-weapon state and not give up weapons already made).
 - The treaty has no sanctions for violators or for withdrawal from the treaty.

Way Ahead

- **More stakes on USA and Russia:** They could help themselves by agreeing to extend **New START to 2026** and launching in-depth strategic stability talks to cover nuclear weapons and the full range of associated issues. It would be useful to engage **China** in strategic stability discussions as well.
- **Adhering to the new Treaty on the prohibition of Nuclear Weapons adopted in 2017:** It will make a strong contribution to the **NPT's Article VI obligation** for states-parties to pursue nuclear disarmament.

India's stand on NPT

- India refused to join the treaty on the basis that it was a **discriminatory because of its grouping of countries.**
- India believes it is a **biased legal instrument** that divided the world into "nuclear haves" and "nuclear have-nots"
- India did not join the NPT as a non-nuclear weapon state since **nuclear weapons constitute an integral part of India's security.**
 - As, India, faced with **two nuclear neighbours** with one of them declaring its nuclear arsenal as India-specific, had to reluctantly become a nuclear weapon state.
 - Treaty also requires countries to give up any present or future plans to build nuclear weapons in return for access to peaceful uses of nuclear energy.
- India has been a **consistent advocate of global nuclear disarmament** since the inception of the concept in the United Nations.
- However, in spite of India not joining NPT, **India's unblemished record on non-proliferation** and its consistently responsible posture on nuclear weapons that enabled it to successfully conclude the **Indo-US nuclear deal in 2008** and to obtain a waiver from the guidelines of **the Nuclear Suppliers Group (NSG)**, enabling it to resume international cooperation in the nuclear domain and gain access to the international civil nuclear market.

Major global nuclear treaties and regimes

Comprehensive Test Ban Treaty (CTBT)

- Adopted at the UN General Assembly in 1996, the treaty **prohibits all nuclear testing** and will enter into force after all 44 States that had nuclear facilities at the time the Treaty was negotiated and adopted will ratify it. **India, North Korea and Pakistan have not signed the Treaty.**

Treaty on Prohibition of Nuclear Weapons (TPNW)

- Adopted in 2017 at the UN General Assembly, the treaty **entered into force in October 2020.**
- It prohibits States Parties from developing, testing, producing, manufacturing, acquiring, possessing, or stockpiling nuclear weapons or other nuclear explosive devices.

Conference on Disarmament (CD)

- It was formed in 1979 as the **single multilateral disarmament negotiation forum** of the international community, after agreement was reached among Member States during the first special session of the UN General Assembly (UNGA) devoted to disarmament (1978).
- Since the conclusion of the negotiation of the CTBT in 1996, **the CD remains deadlocked** and has not been able to reach consensus on a programme of work and thus to commence substantive deliberations.

Fissile material cut-off treaty (FMCT):

- It is a **proposed international agreement that would prohibit the production of the two main components of nuclear weapons**: highly-enriched uranium (HEU) and plutonium.
- Neither this treaty has been negotiated nor have its terms been defined.

Multilateral Export Control Regimes (MECR)

- These are voluntary and nonbinding arrangement of major supplier countries, aiming to **prevent the proliferation of weapons of mass destruction (WMD)** and their delivery means, related equipments and technology.
- There are currently four such regimes under MECR
 - **Nuclear Suppliers Group (1975)**: It is a **group of 48 nuclear supplier countries** that commit themselves to **exporting sensitive nuclear technologies only to countries that adhere to strict non-proliferation standards**.
 - **The Australia Group (1985)**, to ensure that exports do not contribute to the development of chemical or biological weapons. Its formation was prompted by Iraq's use of chemical weapons during the Iran-Iraq War (1980-1988).
 - **Missile Technology Control Regime (1987)**, to prevent the proliferation of missile and unmanned aerial vehicle technology capable of delivering weapons of mass destruction.
 - **Wassenaar Arrangement (1996)**, to contribute to regional and international security and stability, by promoting transparency and greater responsibility in transfers of conventional arms and dual-use goods and technologies.
- India is member of three of above four Multilateral Export Control Regimes except NSG.

11.9. OPEN SKIES TREATY

Why in news?

U.S. announced that it will exit the **Open Skies Treaty**, stating that Russia had “continuously and flagrantly” violated the treaty.

About Open Skies Treaty (OST)

- OST is an agreement that permits each state-party to **conduct short-notice, unarmed, reconnaissance flights over the others territories** to collect data on military forces and activities.
- It is aimed at **building confidence and familiarity** among states-parties through their participation in the overflights.
- OST was **signed in 1992** and came into **effect in 2002**.
- Currently **34 states are party to the treaty** while a 35th, Kyrgyzstan, has signed but not ratified it. Majority of members include **North American and European nations** like USA, UK, Russia, Turkey.
 - **India, China are not members** to the treaty.
- Though state-parties are allowed to **overfly all of a member's territory**, the **treaty determines specific points of entry and exit** and refuelling airfields.
- **Open Skies Consultative Commission (OSCC)**, comprised of representatives of all states-parties, is responsible for implementation of OST.

11.10. INTERNATIONAL CRIMINAL COURT

Why in News?

US President has authorized economic sanctions against officials of the International Criminal Court (ICC) for their investigation into alleged war crimes by U.S. forces and the Central Intelligence Agency (CIA) in Afghanistan since 2003.

About ICC

- ICC is a **permanent international court established to investigate, prosecute and try individuals** accused of committing the most serious crimes of concern to the international community as a whole, **namely the crime of genocide, crimes against humanity, war crimes and the crime of aggression**.




- It was **established by the Rome Statute of the International Criminal Court in 1998.**
 - Court has jurisdiction only over crimes committed after July 1, 2002, when the Rome Statute entered into force.
- There are **123 countries party to the Rome Statute.**
 - **Countries which never signed the treaty:** India, China, Iraq, North Korea, Saudi Arabia, Turkey etc
 - **Countries signed but not ratified the treaty:** includes Egypt, Iran, Israel, Russia, United States etc
 - Burundi and the Philippines joined the ICC but later withdrew.
- ICC does not replace national criminal justice systems; rather, it complements them.
- **Cases come before the court in following ways:**
 - a member country can refer a situation within its own territory to the court;
 - UN Security Council can refer a situation;
 - prosecutor can launch an investigation into a member state proprio motu, or “on one’s own initiative.”

Principal objections of India to the Rome Statute

- **Extraordinary privileges given to the UNSC** to make referrals to the Court.
 - This made the ICC subordinate to the UN Security Council, and thus in effect to its permanent members, and their political interference.
- **Blurred the legal distinction between normative customary law and treaty obligations**, particularly in respect of the definitions of crimes against humanity and their applicability to internal conflicts.
 - **India wanted a stricter complementarity regime** whereby the Court would complement national jurisdiction only in exceptional situations when the judicial system in a State was non-existent or unable to deal with crimes within the Court’s jurisdiction.
- **Refused to designate of the use of nuclear weapons and terrorism** among crimes within the purview of the ICC, as proposed by India
- **Power to initiate cases on his/her own volition** given to the ICC Chief Prosecutor.

Limitation of ICC

- **Disproportionately targeting the African continent:** Of the court’s more than two dozen cases, all have dealt with alleged crimes in African states.
- **Lack of participation by three permanent members of the UN Security council:** China has not signed the Rome Statute, and neither the United States nor Russia has ratified it.
- **Imposition of certain principles:** ICC is criticised for attempting to transpose principles of liberal democracy to all states, and to impose ‘one-size-fits-all’ solutions in order to provide international justice.
- **Jurisdiction of the ICC over internal conflicts:** There is a concern that ICC could misuse its jurisdiction for political purposes

ICC VS INTERNATIONAL COURT OF JUSTICE		
 Feature	 International Court of Justice (ICJ)	 International Criminal Court (ICC)
Year Court Established	1946	2002
UN-Relationship	Official court of the U.N., commonly referred to as the “World Court.”	Independent. May receive case referrals from the UN Security Council. Can initiate prosecutions without UN action or referral.
Location	Peace Palace , The Hague, The Netherlands	The Hague, The Netherlands
Jurisdiction	U.N. member-states (i.e. national governments)	Individuals
Types of Cases	(1) Contentious between parties, (2) Advisory opinions	Criminal prosecution of individuals
Subject Matter	Sovereignty, boundary disputes, maritime disputes, trade, natural resources, human rights, treaty violations, treaty interpretation, and more	Genocide, crimes against humanity, war crimes, crimes of aggression
Authorizing Legal Mechanism	States that ratify the U.N. Charter become parties to the ICJ Statute under Article 93. Non-UN member states can also become parties to the ICJ by ratifying the ICJ Statute. Each state must provide consent to any contentious case by explicit agreement, declaration, or treaty clause.	Rome Statute (India has not signed the Rome Statute)
Appeals	None. The ICJ decision in a contentious case is binding upon the parties. If a State fails to comply with the judgment, the issue may be taken to the UN Security Council, which has the authority to review, recommend, and decide upon enforcement.	Appeals Chamber. Article 80 of the Rome Statute allows retention of an acquitted defendant pending appeal.

- India wanted war crimes to not include acts committed in the context of an armed conflict not of an international character.
- **Lack of support:** Court has to face a lack of support from all states in the world, and the absence of systematic cooperation by states parties to its Statute. **Court does not have its own police force.**
- **Biased character:** ICC has been accused of being a **tool of Western imperialism and biased in favour of powerful countries against weak states.**

Way Forward

- The **court needs to expand its focus beyond Africa.**
- **ICC must focus on fairness, local justice and international social justice** in order to improve its legitimacy and work.
- **Prosecutor must start pursuing party in positions of power in those countries that invite him in or in which he chooses to investigate.**
- To enhance its credibility the **court needs to broaden its ambit by including more permanent members of UN** and by strengthening of investigations and prosecutions.

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12. INTERNATIONAL EVENTS

12.1. SOUTH CHINA SEA

Why in news?

China has reportedly deployed an airship near South China Sea (SCS) to monitor and control military activity in the area by other countries, especially the United States.

Importance of South China Sea

- **Strategic Location:** It is a key commercial thoroughfare connecting Asia with Europe and Africa.
- One third of global shipping, or a total of US\$3.37 trillion of international trade, passes through the South China Sea.
 - It is estimated that around 80 percent of Beijing's imports of oil reach the country through the South China Sea after passing the Strait of Malacca.
 - Up to 97% of India's total International trade volume is sea borne, half of which passes through the strait of Malacca. In addition, ASEAN constitutes one of India's largest trade partners. Any instability in the SCS would adversely affect the shipping lanes and have a knock-on effect on India's economy.
- **Natural Resource:** The sea is believed to contain major reserves of natural resources, such as natural gas and oil.
- **Fisheries:** It accounts for 10% of the world's fisheries, making it a key source of food for hundreds of millions of people.



Issues with South China Sea

- **Territorial conflict:** Philippines, Vietnam, China, Brunei, Taiwan and Malaysia hold different, sometimes overlapping, territorial claims over the sea, based on various accounts of history and geography.
 - China claims more than 80 per cent. China's "nine-dash line" is a geographical marker used to assert its claim. It stretches as far as 2,000km from the Chinese mainland, reaching waters close to Indonesia and Malaysia.
 - Vietnam claims sovereignty over the Paracel Islands and the Spratly Islands.
 - Philippines asserts ownership of the Spratly archipelago and the Scarborough Shoal
 - Brunei and Malaysia have claimed sovereignty over southern parts of the sea and some of Spratly Islands.
- **Violation of International rules:** In 2016, China rejected UNCLOS Arbitral Tribunal ruling.
 - Tribunal said that China cannot claim historic rights to resources in the waters within a "nine-dash line" encompassing much of the South China Sea if these waters are within the exclusive economic zone, or EEZ, of other coastal states.
 - Arbitration was initiated by the Philippines and considered the legality of China's Nine-Dash Line, Chinese island construction within the Philippine Exclusive Economic Zone, and resource exploitation in disputed waters, among other issues.
- **Balance of Power:** The SCS borders three U.S. treaty allies: Japan, South Korea, and the Philippines. In addition, SCS borders Southeast Asian nations that are current, emerging, or potential U.S. partner countries, such as Singapore, Vietnam, and Indonesia. China growing presence in SCS has visibly challenged the international system and US hegemony in the region.
- **Militarisation of South China Sea:** Both China and US have escalated their military presence in SCS. These developments have provoked apprehensions among both littorals as well as countries external to the region, as all of them have an interest in ensuring that commercial and military access across the Pacific remains unimpeded.

Freedom of Navigation Operations

- Freedom of Navigation Operations are operations by U.S. naval and air forces that reinforce internationally-recognized rights and freedoms by challenging excessive maritime claims.
- The particulars of each operation are determined by the excessive maritime claim that is being protested.

Global Response

- Association of Southeast Asian Nations (ASEAN) has been working with China on an official **code of conduct to avoid clashes in the disputed waters**. A binding agreement has been discussed for years to little avail but in August 2018 it was revealed all the parties had agreed on a single draft negotiating text.
 - Except for China, the other claimants in the South China Sea (Brunei, Malaysia, the Philippines and Vietnam) are members of the ASEAN
- The United States has stepped up its military activity and naval presence in the region in recent years, including **freedom of navigation operations (FONOPs)**.
- India has favoured inclusivity and plurality. Institutions and orders need to be “consultative and non-prescriptive, respectful of the region’s preference for consensus-based approaches.

Way forward

- The **real challenge** is in judging China’s legitimate interests, how far they must be accommodated, and where the line must be drawn. This would prove an arduous task as Beijing will likely reject assessments of its interests.
- A more constructive approach to making China comply is to **put in place deterrence measures while providing sufficient encouragement** so that it eventually recognises the framework of international law and order.
- One way of achieving this is **through stronger and more dynamic institutional mechanisms**. More importantly, there should be efforts towards ascertaining areas of common interests which offer scope for China to contribute constructively in order to draw it into the global rules-based order and leverage it in a beneficial role.

12.2. NEW SECURITY LAW IN HONG KONG

Why in news?

China’s National People’s Congress (NPC) approved Hong Kong National Security Law.

More on news

- The law seeks to criminalise **secession, subversion, terrorism and foreign interference in Hong Kong**.
- It also says that **China could have its own law enforcement agencies in Hong Kong**, alongside the city’s own to safeguard national security in accordance with the law.
- It raised concerns that, it could lead to **prosecution of Hong Kongers** for criticising their or the mainland’s leadership, joining protests or exercising their current rights under local laws.
- Also, it is said to weaken “**one country, two systems**” under which China agreed to protect Hong Kong’s extensive freedoms, autonomy and its independent legal system.

One Country Two Systems (OCTS)

- One Country Two Systems policy was **originally proposed to unify China and Taiwan**, which was rejected by Taiwan.
- The idea **resurfaced when China started talks with Britain and Portugal**, who were running Hong Kong and Macau, respectively, as colonies.
- Under OCTS model, China proposed that, Hong Kong and Macau, **can have different economic and political systems** from that of mainland China, while being part of China.
- Likewise, **Hong Kong returned to Chinese control in 1997**, and Macau’s sovereignty was transferred in 1999.
- Both regions became **Special Administrative Regions (SAR)** of China with their **own currencies, economic and legal systems**, but defence and foreign affairs would be decided by China.
- Also, Hong Kongers have **freedom of assembly and speech, and some democratic rights**, which are not available in main land China.
 - These freedoms are protected by **the Basic Law**, a mini-constitution that guides relationship between Hong Kong and China.
- **Basic law is valid for 50 years**, till 2047 for Hong Kong and 2049 for Macau. But it is unclear what will happen after this term.
- **Basic law can be amended** with two- third majority in Hong Kong’s legislature (LegCo).

13. MISCELLANEOUS

13.1. INDIAN DIPLOMACY

13.1.1. INDIAN FOREIGN POLICY IN A CHANGING WORLD

Why in News?

Minister of External Affairs, S. Jaishankar, gave a lecture on the topic “Beyond the Delhi Dogma: Indian Foreign Policy in a Changing World”.

Different phases of Indian diplomacy were discussed-

- **1947-1962: Phase of optimistic non-alignment** where India resisted the constraining of its choices and dilution of its sovereignty in a bipolar world. It saw **energetic Indian diplomacy** from Korea and Vietnam to the Suez and Hungary. However, India’s focus on diplomatic visibility sometimes led to overlooking the harsher realities of hard security. E.g.
 - **Going to UN** regarding J&K.
 - Rejecting the offer “**east west swap deal**” of China where India would recognise Chinese claims on Aksai Chin and China would give up its claims on the eastern sector.
 - **The anticipated 1962 war**, yet, the reluctance to attach overriding priority to securing borders.
- **1962-1971: Phase of recovery and realism:** India looked beyond non-alignment making pragmatic choices on security and political challenges E.g. concluding a defence agreement with the US in 1964.
 - Also, domestic challenges were acute, with political turbulence and economic distress.
 - India faced a tense situation with **Pakistan** in 1965 and finally lead to **creation of Bangladesh** in 1971.
 - India became more realistic as it signed **Indo-Soviet Treaty of 1971**.
- **1971-1991: Phase of greater Indian regional assertion and phase of complexity:**
 - E.g. Creation of Bangladesh, but ended with the Indian Peace Keeping Force (IPKF) misadventure in Sri Lanka.
 - **Sino-US rapprochement of 1971** and role of Pakistan as the **interlocutor** meant India had to face the **US-China-Pakistan axis**.
 - India’s **optimistic outlook** on **Pakistan in 1972** at Shimla, resulted in a hostile Pakistan and a continuing problem in Jammu & Kashmir.
- **1991-1999: Phase of unipolarity** made it a challenging task to retain India’s **strategic autonomy**.
 - India responded with upgradation of **diplomatic relations with Israel**, **outreach to Americans** were done.
 - India **opened up economically** more to the world but fell behind ASEAN and China which opened up a decade earlier.
 - In 1998, India declared itself as Nuclear weapon power which led to US sanctions.
- **2000-2013: Vajpayee-Manmohan phase:**
 - **India gained the attributes of a balancing power**, as China began to emerge as the 2nd pole in world geopolitics and moreover the centre of gravity of world geopolitics shifts towards Asia-Pacific region.
 - USA moved away from sanctions to Nuclear deal and in **Kargil war and Operation Parakaram** world community weighted in favour of India as India was a balancing power now.
 - India also used rising power of Russia and Japan to balance the complex geopolitical scenario.
- **2014-till now: Phase of Energetic engagement:**
 - India’s **rising global stature** is evident from the overlooking posture of global community on the issue of abrogation of **Article 370**.
 - **India’s Act East policy**- emphasising a **multi-polar Asia at the core of a multi-polar world**.

Suggestions to Indian diplomacy moving forward

- **Greater realism:** The purposeful pursuit of national interest in shifting global dynamics may not be easy but it must be done.
- **Economic drivers to guide diplomacy a lot more than earlier**, instead of old dogmas like economic autarky, self-reliance, import substitution.
- **Multi-polar world has emerged** and all the pillars (e.g. US, China, Russia Japan etc.) have to be managed **without compromising with anyone**.

- **Need of calculated risk-taking** to take a quantum jump in global positioning. E.g. Uri and Dokhlam issue.
- **Need to read the global discourse right:** E.g. growing multipolarity, weaker multilateralism, need of larger economic and political rebalancing needs to be carefully analysed.
- **Giving up the dogmas:** India cannot be dogmatic in approaching a visibly changing global order. For instance,
 - India cannot continue with unsettled borders, an unintegrated region and under-exploited opportunities.
 - India needs to have a willingness to look beyond dogma and enter the real world of convergences to deal with contradictory approaches and objectives like-
 - ✓ RIC (Russia-India-China) with JAI (Japan-America-India)
 - ✓ Quad with the SCO (Shanghai Cooperation Organization)
 - ✓ Iran with the Saudis
 - ✓ Israel with Palestine

India's rising stature in the world

- India is being looked at, by the countries of global south for diplomatic and geopolitical help. For example-
 - Indian navy has been deployed in Gulf region since the attacks on oil tankers.
 - India was re-elected to the UN's International Narcotics Control Board (INCB) with the highest margin beating China's candidate.
- **International infrastructure projects are moving faster-**
 - In Afghanistan, India completed Salma dam, Parliamentary building etc. Not even western countries were ready to take up these projects.
- **Multilateralism-**
 - India is a part of **Alliance for Multilateralism** and advocates for having rules, even if imperfect, rather than no rules.
- **Climate change-**
 - India is engaging actively with world community to mitigate its effects.
 - **International Solar Alliance** is headquartered in India.

13.1.2. INDIA'S SOFT POWER

Why in news?

India has ranked 27th, in the **Global Soft-Power Index 2020**.

What is soft power?

- Soft power is the ability of a country to persuade others to do what it wants without resorting to force or coercion. **Soft power**, lies in a country's attractiveness and comes from three resources:
 - **its culture** (in places where it is attractive to others),
 - **its political values** (when it lives up to them at home and abroad), and
 - **its foreign policies** (when they are seen as legitimate and having moral authority).
- Though slower to yield results, soft power is a **less expensive means** than military force or economic inducements to get others to do what a country wants.
- Noted ancient **Indian scholars like Kautilya and Kamandak** have referred to 'soft' diplomacy, including the practice of sandhi (peace).

India's Strengths as a Soft Power

- **India's long history, culture and civilization:** These have attracted both intellectuals and common folk from across the globe to India.
- **Presence of all the major religions of the world:** Four are homegrown- Hinduism, Buddhism, Jainism and Sikhism and four came from outside- Zoroastrianism, Judaism, Christianity and Islam. This adds to the incentives for the religiously minded foreigners to visit India.
 - ✓ The Indian government is using this aspect of soft power in a big way in its outreach to East, Southeast, and Central Asia.

Few initiatives taken by India

- Setting up a public diplomacy division within the **Ministry of External Affairs** in 2006
- Ministry of Tourism launched "**Incredible India**" campaign to showcase its social, political, and cultural assets abroad.
- Supporting larger foreign policy initiatives such as the **Look East Policy (now Act East)**, the **Connect Central Asia policy**, and **developing strategic aid and trade partnerships in Africa**.
- Ministry of External Affairs (MEA) has decided to develop a "**soft power matrix**" to measure the effectiveness of India's soft power outreach.
- It has also recommended **increased budgetary allocations to the Indian Council for Cultural Relations (ICCR)**, the nodal government agency responsible for India's soft power projection.



- ✓ Buddhism is at the heart of its diplomacy here. Among these is the **Nalanda University project**, a major soft power initiative of the Indian government that envisages the revival of a renowned center of Buddhist learning.
- **Yoga and Meditation:** Have become household terms in most countries and the health aspects of these are being researched and propagated by well know physicians and doctors.
- **Music, dance, art and architecture:** Even though the Taj Mahal is the most famous monument of India, foreign tourists are discovering thousands of other historical and archaeological sites all over India.
 - **The Indian Council for Cultural Relations (ICCR)** under the **Ministry of External Affairs (MEA)** does pioneering work in not only disseminating our culture abroad but also encouraging exposure of other cultures in India to encourage a cultural dialogue.
- **Bollywood** has been projected as a great Soft Power tool for as Bollywood movies are popular among the people of many countries.
 - **In Afghanistan**, for instance, Bollywood and Indian soap operas have a massive following. Bollywood movies are hugely popular in Africa as well.
- **Indian Cuisine** is a major attraction for foreigners. There may not be a single big city in the world without at least two or three Indian Restaurants.
- **Indian Diaspora as NRIs and PIOs** play a vital role in projecting its Soft Power. They not only help in disseminating our culture but also have, on occasions, contributed to promoting our Foreign Policy goals.

Challenges with India's Soft Power

- **Not unlocking its potential:** As the world's largest democracy, India is variously described as a model of soft power, however a country that makes remarkably poor use of it.
 - Similarly, India has more UNESCO World Heritage sites than most of the developed world, but still fares poorly on **tourism and education** on a per capita basis.
- **Lack of diversification:** Though India has 36 India Cultural Centres (ICC) in various geographies, these are still aimed at the **diaspora** in **Caribbean and South Africa** whereas ignoring strategic and growing relationships in the Nordics and Latin America.
- **Negative perception:** India has a widespread reputation for **corruption, endemic poverty and hostility to business**.
 - Reports in the international media of pollution in **urban areas, child labor and violence against women** have also detracted expatriates, tourists, businesspeople and other visitors.
- **Lack of state enabled endeavours:** India rates badly on any measure of state-driven cultural diffusion rather than more organic and natural private sector and citizen-led efforts.
 - Indeed, most Indian cultural diffusion such as Bollywood have occurred **without** the involvement of the government.
- **India's Popularity restricted mostly to developing world:** In many cases India's appeal is to others in the developing world rather than to high-value or developed markets.
 - For example, despite their many evident shortcomings, India's universities continue to attract a large number of students from across the developing world, including Nepal, Afghanistan and Africa.

Way Ahead

- **Need to focus on quality, training, excellence and investment for India's soft power to be globally recognised:** As currently, a flourishing economy and an effective international presence, India is a thriving market for the world; it has more than 250 million strong middle class with deep pockets.
- **Leveraging textile craftsmanship as it used to be** a cultural motifs and patterns from all the cultures. **India's Khadi textile designs** carry the history as well as a huge aspect of India's political philosophy that much of the world has yet to understand.
- **India could consider setting up an Indian Cultural Services (ICS)** – a **cultural cadre** which has high-profile career strategists recruited, trained and developed to nurture creativity with a global perspective.

Conclusion

Soft power **cannot be a substitute for hard power** as it helps only if the country has built up its conventional sources of economic and military power. At the most fundamental level, Soft Power is about **winning the hearts and minds of people**.

13.1.3. MEDICAL DIPLOMACY

Why in news?

India will supply essential drugs, including **paracetamol and Hydroxychloroquine (HCQ)**, to countries which are badly affected by novel Coronavirus including countries in the neighbourhood, thus ensuring India's important role in Global Medical diplomacy.

More about News

- India had lifted the ban on export of **Hydroxychloroquine**, nearly two weeks after imposing a ban on its export.
- Currently, India is supplying **anti-malarial drug hydroxychloroquine** to 97 coronavirus-hit countries as grants as well as on commercial basis.
 - India manufactures **70% of the world's supply of HCQ** and it had exported \$51 million worth of the drug in FY19.
 - **HCQ is an anti-malarial drug** that has been identified by the US Food and Drug Administration as a possible treatment for the Covid-19.
- **The list of 97 countries includes:** US, Russia, France and UK, besides some 20 countries of Africa and many of India's immediate neighbors like Nepal, Maldives etc.
- Apart from supplying HCQ, **India has been sending teams of Indian doctors** to Nepal to deal with the testing and treatment of Corona Virus patients.
 - India is also working closely with countries in the middle-east during the pandemic.
- There has been **online training organized for health care professionals in South Asia** and other neighbouring countries on covid-19 management strategies and related aspects.
- There have been **high level contacts at regional and multilateral levels** – at the insistence of India.
 - These include a virtual summit of South Asian Association for Regional Cooperation (**SAARC**) countries and a similar meet of the leaders of the **G-20 countries**.

What is Medical Diplomacy?

- In the recent years, **health has been adapted as a strategic foreign policy and diplomatic concern** for many countries and regions of the world.
- **Medical Diplomacy** is an emerging field that addresses the **dual goals of improving global health and bettering international relations**.
- It **mainly a component of soft power** which involves winning hearts and minds of people in countries by exporting medical care, expertise and personnel to help those who need it most.
- It is concerned not only with the **economic effect of poor health** on development or of pandemic outbreaks on the global market place but also the **gain from the growing global market** in health goods and services.
- It also reinforces **health as a social value and human right, supporting the United Nations Sustainable Development Goals**, advocating for access to medicines and primary health care, and calling for high income countries to invest in a broad range of global health initiatives.

Factors driving India's Medical Diplomacy

- **Global presence:** India has a strong and widespread pharmaceutical presence in much of the world including the US, Western Europe, Japan and Australia.
- **Drug Exports:** The total size of the industry, including drugs and medical devices, is approximately \$43bn of which it exports \$20bn worth of drugs.
- **Generic Medicines:** India is also **the leading producer of generic medicines**, with Indian drugs comprised of 20% by value (as of November 2019) of the global generic drug exports, out of which North America had the largest share.
- **Traditional Medicine:** India is also leading global platforms in **traditional medicine such as Ayurveda and Yoga**. India successfully lobbied the United Nations to designate June 21 as International Yoga Day.
- **Vaccine Manufacturing:** Indian manufacturers have played a critical role in driving down prices and improving access to vaccines and HIV/AIDS treatments for millions of people worldwide.
- **Training:** India has also taken this opportunity to be a leader in the training of doctors and other medical staff for its neighbours as Indian Doctors and medical specialists have been conducting on-line training camps of doctors and medical staff of the SAARC countries.

- **Medical tourism:** Since the 1990s India has been flaunted as a global leader in “**medical tourism,**” defined as the travel of people to a place other than where they normally reside for the purpose of obtaining medical treatment in that country.

Challenges in Medical Diplomacy

- **Foreign regulations:** Because more than half of India’s pharmaceutical exports are to highly regulated markets such as the United States, Indian manufacturers have to comply with strict U.S. Food and Drug Administration (FDA) guidelines that include regular and rigorous inspections to ensure compliance.
- **Intellectual property Rights:** It is one of the vital facets that face health practitioners and one of the main issues where health and foreign policy intersect.
 - The TRIPS Agreement allows countries substantial flexibility toward protecting public health. Section 3(d) of Patents Act prohibits evergreening, which is the practice of foreign pharmaceutical companies to extend their patent terms by making small, trivial changes to existing medicines and thereby **preventing entry of generic drugs.**
- **Active Pharmaceutical Ingredients (API):** Despite being a leading supplier of medicines to several countries, India is highly dependent on China for raw materials such as **API and bulk drugs.**
- **Lack of support & infrastructure:** India has persistently lacked sufficient and effective investment in healthcare through the decades (currently at 3.5% of the GDP, which includes private investment).

Way forward

- The **overseas Indians** have distinguished themselves in the field of medicine and healthcare in the countries of their residence.
- **Individual service providers of medical tourism** must locate their niche segments and market their services accordingly engaging on a long term with targeted communities.
- India needs need to **invest phenomenally high amounts in API** manufacturing so that the buyers of Chinese APIs move towards India.
- The challenges like Covid-19 provide India an opportunity to showcase its humanitarian angle by providing drugs such as HCQ. It can also provide an opportunity for India to **promote traditional wellness techniques** such as yoga during the lockdowns around the world.

13.1.4. NEW AND EMERGING STRATEGIC TECHNOLOGIES DIVISION

Why in News?

Ministry of External Affairs has announced the setting up of a new division on **New and Emerging Strategic Technologies (NEST).**

About NEST

- It will act as the **nodal division** within the ministry for issues pertaining to new and emerging technologies.
- **Objective:**
 - **Assessing foreign policy and international legal implications** of emerging technology and technology-based resources.
 - **Facilitating negotiations** to safeguard Indian interests at multilateral forum like the United Nations or the G20.
 - **Creation of HR capacity** within the ministry for technological diplomacy work.
 - **Collaboration** with foreign partners in the field of 5G and artificial intelligence.

Emerging Technologies

- It commonly refers to technologies that are currently developing, or that are expected to be available within the next five to ten years, and is usually reserved for technologies that are creating, or are expected to create, significant social or economic effects.
- It includes technologies like artificial intelligence, machine learning, natural language processing, 3D printing, blockchain, robotic process automation and Internet of Things.

Facets of Emerging Technology in Foreign Relations

- **Digital diplomacy:** It refers to the broader use of technology, particularly **the internet and other ICT-based innovations, in the conduct of diplomacy.** Digital measures have roles in negotiations, policy processes, and crisis managements that are all attached to diplomatic activities.
- **Technology and the Balance of Power:** Emerging technologies primarily **shape the balance of power through military and economic means.** Technologies can directly influence countries’ abilities to fight and win wars. They can also indirectly affect the balance of power by impacting a country’s economic power.

- **Security Threats:** Use of emerging technologies by **non-state actors** like terrorist organizations for recruitment purposes, financial mobilization, illegal surveillance etc is a cause for concern.
- **Science diplomacy:** Diplomacy for science means making use of diplomacy to gain benefits in science and technology - bilaterally as well as multilaterally and globally.
 - Increasingly, global challenges such as weapons of mass destruction, climate change, cyber security, outer space, etc. all require scientific inputs in order to understand and deal with them.
- **Access to Technology:** The **gap between “haves” and “have-nots”** can prove to be a cause of conflict in the future. Poor access to these technologies may create new economic and military asymmetry.
- **Soft Power:** Sharing technologies for increasing the living choices of the people as well as enhancing social and public good offers an enormous advantage in foreign policy.
- **Foreign Interference in Internal matters: Opinion manipulations** using Big Data and Artificial Intelligence pose a big threat to democracies across the world.
 - Alleged role of Cambridge Analytica in the Indian election.

Challenges for India

- **Lack of technical delegates:** India lacks an effective recruitment and training mechanism for hiring experts or training existing diplomats in the field of technological diplomacy.
- **Low bargaining power:** India's share in high technology products in the global market is relatively low, and its import of high technology products is increasing. This could affect its capability to develop soft power in the field.
- **Lack of existing bilateral agreements** related to technology transfer, IT sector etc. to strengthen global position of India in the field of emerging technology.
- **Policy uncertainty and structural challenges:** India faces varied issues like multiple regulators, lack of coordination among departments, absence of coherent and comprehensive domestic policy etc which can adversely affect India's negotiating power on International platforms.
- **Aligning India's domestic interests with foreign policy:** While India is expected to benefit substantially with emergence of new technologies in the fields of governance, defense, research etc, issues like job loss via automation, technological monopoly of global companies etc need to be acknowledged.
- **Political sanctions and Intellectual Property regimes restricting the sharing of technology:** It would restrict the flow of information needed for collaborating on International science and technology projects.

Conclusion

Technology is seen as a driver for both power and legitimacy in the areas of foreign affairs and diplomacy. Therefore, it is important for developing countries to be adequately prepared to tackle these emerging technologies and protect their interests.

- India should **collaborate with foreign partners** for research and development of the future technologies.
- A **strong legal framework** should be developed to minimize the uncertainties of emerging technologies poses.
- It should **state its concerns at global platform** regarding the risk of these technologies.
- The **policy of non-proliferation** of harmful military technologies should be adhered.
- There is a need of **creating a pool of skillful diplomats** specializing in Digital Diplomacy.

13.2. KASHMIR ISSUE AT GLOBAL FORUMS

Why in News?

Abrogation of Article 370 has brought about **Kashmir issue at a global level** with both countries keeping their stand.

Background on Multilateral and bilateral engagement on Kashmir Issue

- In 1948, the **Government of India reported to the Security Council** over the Pakistan's Invasion in Jammu and Kashmir.
- Later, the decision to set up a **United Nations Mission was taken** in which UN invoked Article 34 to mandate the mission to investigate facts of the situation, and to exercise any “mediatory influence... likely to smooth away difficulties”.

- **Article 34** empowers the Security Council to investigate any dispute, or any situation which might lead to international friction or give rise to a dispute, in order to determine whether the continuance of the dispute or situation is likely to endanger the maintenance of international peace and security.
 - The **five-member Mission (Dixon Mission)**, which had members nominated by India and Pakistan, and three others, eventually brokered the cessation of hostilities from January 1, 1949
 - **Dixon Plan of 1950** led to partition of some areas of Jammu & Kashmir between India and Pakistan (Ladakh to India, PoK and Northern Areas to Pakistan, with Jammu divided between the two), plus a **plebiscite in the Valley** (that never happened).
 - Further, framework for bilateral resolution of problems between India and Pakistan was written into the **1972 Simla Agreement** and reiterated 27 years later in the **Lahore Declaration in 1999**.
 - **Shimla Agreement of 1972:** It was signed by Prime Minister Indira Gandhi and President Zulfikar Ali Bhutto of Pakistan on 2nd July 1972 was much more than a peace treaty seeking to reverse the consequences of the 1971 war (i.e. to bring about withdrawals of troops and an exchange of PoWs).
 - ✓ The two countries are resolved to settle their differences by peaceful means through **bilateral negotiations** or by any other peaceful means mutually agreed upon between them.
 - **Lahore Declaration of 1999:** It not only stressed the need to implement the Simla agreement in letter and spirit but also called upon the two nations to **combat terrorism and follow mutual non-interference in internal affairs**.
 - ✓ The declaration also agreed that the respective governments of both the countries shall intensify their efforts to resolve all issues, including the issue of Jammu and Kashmir.
 - Nonetheless, **Pakistan has continued to view the “internationalisation” of the Kashmir issue** as its bet towards reversing J&K’s accession to India, and has used every global forum to criticise India’s “illegal occupation” of Kashmir.

Related information

Why plebiscite never happened?

 - On 5 January 1949, UNCIP (United Nations Commission for India and Pakistan) resolution stated that the question of the accession of the State of Jammu and Kashmir to India or Pakistan will be decided **through a free and impartial plebiscite**.
 - However, as a prerequisite it was required that Pakistani nationals and tribesmen, who had come to fight in Kashmir, be withdrawn. This never happened and both countries failed to arrive at a Truce agreement.

Article 35 & 51 of UN Charter Act

 - It has been argued that had India taken the matter to the United Nations under **Article 51 of the UN Charter, instead of Article 35**, the outcome would have been different.
 - **Article 35** says that any member of the UN may take a **dispute to the Security Council or General Assembly** if the **parties to a dispute are not able to resolve the matter** through negotiations between them
 - **Article 51** says that a UN member has the “**inherent right of individual or collective self-defence**” if attacked, “till such time that the Security Council has taken measures necessary to maintain international peace and security”.
 - However, the outcome of this was setting up of a **United Nations Mission invoked under Article 34**.
- India’s stand on Kashmir issue**
- **Article 370:** India’s position that the abrogation of Article 370 is an ‘internal matter’.
 - For India, not just the state of Jammu and Kashmir but even Pakistan-Occupied Kashmir (Pok) is an **integral part of Indian territory**. India believes that there is no scope for redrawing boundaries.
- How Pakistan has tried to internationalise Kashmir issue?**

 - **UNGA:** Pakistan has tried to raise Kashmir issue in various address in the United Nations General Assembly (UNGA)
 - **UNSC:** Pakistan approached the United Nations Security Council and a closed-door meeting on the Kashmir issue upheld the stand that the contentious issue must be resolved bilaterally.
 - **Portraying Muslim as victims:** Pakistan is placing the Kashmir issue within a context of “Islamophobia” and “injustice to Muslims.
 - **Downgrading ties:** There has been repeated attempt of downgrading ties and dispatching India’s ambassador home.
 - **Support from China:** China has extended unhindered support to Pakistan over its Kashmir policy.
 - **ICJ:** Pakistan has announced that they would challenge it in the **International Court of Justice (ICJ)**.
 - **OIC:** Pakistan has urged the OIC to take the situation of Held Kashmir seriously to avoid a human tragedy.
 - Highlighting the issue of **Communication blackout in Kashmir**

- **Cross border terrorism:** India has reiterated its longstanding position that there is no room for mediation in Kashmir or on any other India-Pakistan issue and that all outstanding matters between the two countries would be resolved through bilateral dialogue — but only when Pakistan ends cross-border terrorism in India.
- **No third-party intervention:** The Indian position has historically stemmed from its mistrust of outsiders meddling in its internal affairs, the strongly felt need to protect its secular nationhood project.
 - India has strongly **objected to any kind of third-party intervention.**
 - India suggests that instead of third-party mediation what suits both the terrain and the situation along the LoC is joint Indo-Pak patrolling.

How India has tackled Kashmir issue at Global level?

- **No mediation from other country:** India has mostly succeeded in conveying that it would brook no third-party mediation.
 - Diplomats of other countries and pundits familiar with South Asia recognise India's stance on Kashmir and that any third-party mediation is unacceptable to India.
 - India does not recognize the nine-country **UN Military Observer Group in India and Pakistan (UNMOGIP)**, which has been in existence since 1949 to monitor the ceasefire in the first Indo-Pak war

Why India's effort has been successful?

- **Converging interests:** Ever since after 9/11 attack there has been converging interests and collected voices against terrorism which India has been arguing against Pakistan.
 - Kargil attack, India has taken the moral high ground, keeping world opinion firmly on its side. Kargil was followed in 2002 by the attack on Parliament and finally the Mumbai attack in 2008.
- **Global scenario:** World is drowning in crises and western powers are preoccupied. From climate change to Brexit, from managing China's rise to the faltering Afghanistan peace process and tackling Iran, they don't have the bandwidth to get too deeply involved in Kashmir except to counsel restraint to both sides.
- **Diplomatically strong:** India's place in the world has dramatically changed which is engaged globally with a vast array of countries.
- **Role in Indo-Pacific region:** India has very important role in Indo-pacific region which already has multiple stakeholders across the world and any disturbance between two south Asian countries is not favorable for world.
- **Soft power:** India has got strong soft power across the world unlike Pakistan.

- **Diplomatic win:** India has been able to get its way mostly on this — the nuclearisation of South Asia and the growing global interest in India's economy.
- **United nations:** United Nations Secretary-General in January 2018 too ruled out any mediation for resolving the Kashmir issue unless all parties agreed to it – and asked India and Pakistan to address all outstanding issues through talks.
- **Support from Gulf Countries:** The Gulf countries, with whom Pakistan has enjoyed a long-standing "brotherly" relationship for decades, have stayed away from condemning India's crackdown in Kashmir.
 - Recently, NSA Ajit Doval also met Saudi Crown Prince to discuss Kashmir issue.
- **Highlighting Pakistan's association with terrorists:** Pakistan is facing an imminent risk of being blacklisted by the Financial Action Task Force if it fails to meet its commitment on counter-terrorism financing.

Conclusion

The recent move for internationalization of Kashmir issue has been largely unsuccessful as India has been able to remain on its stand with support from international community. Indian security establishment is perhaps internationalizing the Kashmir terrorism but not the Kashmir problem.

13.3. E-DIPLOMACY

Why in news?

The first ever **India Australia virtual summit** in the wake of COVID-19 crisis has brought the **concept of e-diplomacy** to limelight.

More on news

- Globally, many nations have taken to **e diplomacy routes** to keep the momentum of foreign relations going, amid COVID-19.



- Other recent summits like **Extraordinary virtual G20 Leaders' Summit**, **SAARC virtual summit**, **Non-Aligned Movement Summit** have been held virtually.

About e diplomacy

- **E diplomacy** is the use of **internet and communication technologies** by nations to define and establish **diplomatic goals and objectives** and to efficiently carry out the **functions of diplomats**.
- These **functions include** representation and **promotion of the home nation**, establishing both **bilateral and multilateral relations**, **consular services** and **social engagement**.
- **Advantages**
 - **Continuum of diplomacy and physical safety in extra-ordinary situations:** In times of crisis like the ongoing Pandemic, e-diplomacy mitigates the physical contact between leaders and ensures their safety along with progressing diplomatic talks.
 - **Economically prudent:** This also saves huge amounts of national money by omitting costly travels and lavish events.
 - **Efficient time utilization:** Reduced travel time also allows the diplomats to invest more time in policy making and better engagement strategies.
 - Much of foreign ministry's **energy goes into organizing visits**, but the follow-up has always been hard. Virtual diplomacy makes **high-level engagement less burdensome**.
- **Challenges**
 - **Decreased productivity:** E-diplomacy **cannot replace face to face interactions, backdoor consultations and negotiations** that form the heart and soul of traditional diplomacy.
 - Virtual summits **cannot fulfill the broader political goals and bigger objectives** in minds of the Heads of states. Major breakthroughs or deals requiring direct intervention of leaders may not materialize.
 - Virtual summit **could reduce the spontaneity and candour of conversations**. It is arguable whether new ideas or proposals which entail geo-strategic alignments can emanate out of e-summits.
 - **Cyber security issues:** Cybercrimes like hacking, threat of classified and sensitive information leaking may threaten national security.

Conclusion

Despite limitations and being in initial stages, e-diplomacy can act as a **persuasive and timely supplement** to traditional diplomacy. Countries can utilize this opportunity to incorporate e-diplomacy into follow up discussions for increased interaction and engagements and furthering the goals of diplomacy.

13.4. COLLECTIVE ACTION IN THE TIMES OF COVID

Why in news?

The pandemic of COVID has started a global debate on the **need for collective action** to face such global emergencies.

Recently, the former UK prime minister Gordon Brown has called for a new '**global government**' to deal with the current crisis.

Need of collective action in such emergencies

- **To develop consensus** - as the countries should work tandem in their response to this pandemic.

Some steps taken in this direction

- **United Nation Resolution-** titled 'International cooperation to ensure global access to medicines, vaccines and medical equipment to face COVID-19' was adopted. India has supported the above **UN resolution**.
- **COV-access agreement-** Various countries around the world pledged to give everyone equal access to new coronavirus vaccines and treatments around the world.
 - The United Kingdom virtually co-hosted new **Coronavirus Global Response Summit**.
- **COVID Action Platform-** Launched by the World Economic Forum (WEF), it aims to convene the business community for collective action, protect people's livelihoods and mobilise support for the COVID-19 response.
- **Vaccine Development-** Global leaders have pledged to accelerate cooperation on a coronavirus vaccine and to share research, treatment and medicines across the globe.
- **COVID-19 Solidarity Response Fund-** Launched by the World Health Organisation (WHO), it supports the fundraising plan to fight the pandemic.
- **Fast track financing-** Launched by the **World Bank**, it aims to support countries in their efforts to fight COVID-19 as well as face wide range of consequences in the post-COVID world.
- **Alliance for Multilateralism** – India participated in the virtual summit to fight COVID 19. This initiative was launched by Germany and France in 2019 and is an informal network of countries.

- In such situations, countries should listen to international experts and take scientific inputs, rather than work in silos based on their homegrown demands.
- **Common but differentiated responsibility-** as all the countries may not have the kind of resources required to deal with his menace.
 - Collective action is also needed to clear barriers to the development, manufacture and equitable **distribution of a vaccine.**
- **Sharing of information-** in the form of scientific research, findings and data in different parts of the world.
 - **Crowd sourcing-** e.g. In the recent crisis, more than 45,000 research papers have been collected in an open source database, which could prove useful for the entire humanity.
 - **Learning from past experiences-** e.g. Liberia's experience during 2014 Ebola outbreak.
- **Stop reactionary forces from misusing this situation-** for which the countries need to come together, such as terrorism.
- **Prevent erosion of public trust-** If such emergencies are not tackled effectively by the governments E.g. in India there was a mass exodus of migrants from urban centres.

Issues faced in collective action during COVID-19

- **Increasing protectionism and nationalism-** at the cost of human interventions required for larger international community, E.g. as per the **Global Trade Alert project**, at least 69 countries have banned or restricted the export of protective equipment, medical devices or medicines.
- **International Sinophobia-** whereby there have been xenophobic reactions from some parts of the world towards Chinese.
- **Role of international institutions-** such as
 - World Health Organisation (**WHO**)- It has been accused of **understating coronavirus risk** and acting soft on China.
 - **UN Security Council-** A special session which was convened for it, ended inconclusively.
- **Fault lines in multilateralism-** Experts are of the view that COVID-19, rather than bringing countries close, has resulted in reverse migration, decouple supply chains and marginalise multilateral institutions such as G-20, G-7.

Way Forward

- **Mobilize funding-** for vaccine development and deployment, using mechanisms like International Finance Facility for Immunization (**IFFIm**), the Vaccine Alliance (**GAVI**) etc.
 - Governments must use innovative finance mechanisms such as **vaccine bonds** and advanced market commitments.
- **Suspension of debts-** Temporary suspension of debts so that countries can redirect resources towards addressing the health crisis. It may include-
 - Suspension of Investor-State Dispute Settlement (**ISDS**) and other unjust trade measures that impose a financial burden and undermine countries' capacity to prioritise public needs.
- **Responsible role of social media and news organisations-** particularly when it comes to countering the spread of misinformation and conspiracy theories on their platforms.
- **Build new global economic order-** This crisis presents an opportunity to correct the injustices present in global order.

13.5. DATA FREE FLOW WITH TRUST (DFFT)

Why in news?

India recently refused to become a signatory to the **Osaka declaration on digital economy** which proposes the concept of **Data Free Flow with Trust (DFFT)**.

About DFFT

- It aims to **eliminate restrictions on cross-border transfer of information by electronic means**, including personal information, and storing data in foreign servers, for productivity, innovation and sustainable development.
- It also stresses on the importance of addressing challenges such as security, data protection and intellectual property that otherwise mar public trust in digital technologies.

Need for DFFT

- **Lack of international framework to resolve cross-border data conflicts:** Recent times have seen a rise in conflicts arising over a myriad of issues related to data flows, such as free speech, privacy, cybercrime etc.
- **Impact on ease of doing business:** Regulatory conditions or requirements on transferring data, and data localization policies can impose prohibitively high compliance and entry costs.
- **Emergence of anticompetitive, trade-distorting actions by digital giants:** due to conflicting policies and lack of comprehensive frameworks for managing data flows.
- **Moving towards “Society 5.0”:** It underscores how digitalization could tackle today’s social challenges and usher in broader transformation by optimizing societal and welfare systems. For example-
- **Significance for digital economy:** Digital economy, supported by data flows, makes up a sizeable portion of global economic activity. Current data flow restrictions and data localization requirements of some countries lower their GDP by up to 0.4% and 1.7%, respectively, depending on the economy and severity of the measure.

About Osaka Declaration on Digital Economy

- The declaration was signed at the sidelines of the **G20 summit in 2019**, by some G20 leaders and other countries who are currently participating in the informal plurilateral negotiations on e-commerce at the World Trade Organization.
- It announced the launch of the ‘**Osaka Track**’, a process that aims to intensify efforts on international rule-making on digital economy, especially on data flows and e-commerce, while promoting enhanced protections for intellectual property, personal information, and cybersecurity.
- The Osaka Track is inspired on the idea of ‘**Data Free Flow with Trust (DFFT)**’ proposed by former Japanese Prime Minister Shinzo Abe at the World Economic Forum 2019, aiming to eliminate restrictions on cross-border data flows.

Concerns for India

- **Lack of Clarity:** Concept of DFFT is neither well-understood nor is comprehensive enough in the legislation of many countries.
- **Need to preserve the policy space of developing countries:** India, like many other developing countries, is still in the phase of preparing a legal and regulatory framework for its data protection and e-commerce laws.
- **Implications on equitable access of data:** The existing regulations on which DFFT is sought to be premised, such as uninhibited cross-border flow of data, may be inadequate to address India’s concerns on data access and could further aggravate the digital divide between countries.
- **Apprehensions over discussions outside the World Trade Organization (WTO):** The Osaka Track could undermine multilateral and consensus-based talks on e-commerce taking place under the **WTO Work Program on Electronic Commerce**.
 - The WTO Work Programme on Electronic Commerce covers issues related to trade arising from global e-commerce.
- **Impact on national policies and laws:** India finds Data localization significant on the ground of national security, to prevent foreign surveillance and attacks. India’s data localization rules could be undermined by the DFFT.

Way Forward

- **Encouraging engagements on WTO:** Any reforms related to data flows must be in accordance with the core WTO principles of consensus-based decision-making, multilateral agreed rules, and an impartial and independent functioning of the dispute settlement body.
- **Providing adequate support to developing nations:** Capacity constraints in developing countries need timely support of training, and creation of digital infrastructure for facilitating a level playing field etc.
- Some principles and policies that can be followed to strengthen existing data frameworks:
 - **Holding firms accountable for managing data they collect**, regardless of where it is stored or processed. It will enable local accountability and interoperability.
 - **Developing an accountability-based approach** to ensure that firms provide timely access to data in response to requests for data from financial regulatory authorities.
 - **Revising inefficient processes and outdated legal agreements** that govern law enforcement requests for access to data stored in another country’s jurisdiction.

- **Establishing international rules** for transparency, settling questions of jurisdiction, and increasing cooperation and coordination of cross-border requests from law enforcement.
- **Developing legal and administrative frameworks for restricting illegal distribution and use of unlicensed content.**
- **Supporting encryption for securing data flows and digital technologies**

Conclusion

Given the critical role played by data, as an enabler of economic growth, development and social well-being, any reforms related to cross border data flows must preserve core values and fundamental principles such as non-discrimination, inclusiveness, recognition of special and differential treatment, and consensus-based decision making.

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