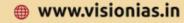


Classroom Study Material 2021 (September 2020 to September 2021)





INTERNATIONAL RELATIONS

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Previous Year Questions A reference sheet of syllabus-wise segregated previous year questions from 2013-2020 (for the International Relations Section) has been provided. In conjunction with the document, it will help in understanding the demand of the exam and developing a thought process for writing good answers.





A NOTE FOR THE STUDENTS



Dear Students.

Every year with Mains 365 documents, we aim to provide consolidated content keeping in mind the demand of the exam and the corresponding needs of the students. This necessitates keeping pace with changing pattern of the examination.

Over the course of last 3-4 years, the nature of questions in the Mains examination has changed significantly. Questions are becoming more contextual and more holistic in nature that requires a general understanding of the background with a sound SWOT analytical ability.

In this context we have made following additions in the document:

A single page document that seeks to:



Provide a comprehensive overview of India's relations with various countries and groupings.



Act as bridge connecting the static information and the analysis of the current events.



Facilitate quick revision and replication in the examination.

- ♠ Infographics: Infographics have been added in the document in a manner that they can readily be replicated in the examination through flowcharts, pie charts, maps etc., thereby improving the presentation of the content in the answers.
- Previous year questions: A QR code to the syllabus-wise segregated Previous Year Questions has been provided for student's reference. These will act as a guiding light for developing a thought process required for writing good answers.
- Syllabus Mapping: The index has been designed in a way that categorises current events as per the topics of syllabus. This seeks to facilitate better interpretation of news and understanding the pattern and demand of questions.

The document seeks to not only provide a one stop solution for International Relations Current Affairs but it also seeks to develop a coherent thought process required for effective and well-presented answer. Therefore, the articles in the document are not only to be read for content but also for understanding and adopting good practices of answer writing.

We hope that the coverage of the content in an organized manner will assist you in performing well in the examination.

Knowing is not enough; we must apply. Willing is not enough; we must do.

All the best!
Team VisionIAS

-Johann Wolfgang von Goethe



1. INDIA AND ITS NEIGHBOURHOOD-RELATIONS

1.1. INDIA- CHINA

Why in news?

China has adopted a **new land border law** amid the continued standoff between Indian and Chinese militaries in eastern Ladakh.

About China's border law

- The law will govern how Beijing guards its 22,000-km long land border that it shares with 14 countries, including India, Russia, North Korea and Bhutan.
- The new law stipulates that state shall take measures to safeguard territorial integrity and land boundaries. For this,
 - The People's Liberation Army (PLA) shall carry out border duties including organising drills and resolutely prevent, stop and combat invasion, encroachment, provocation and other acts.
- The state shall take measures to support economic and social development in border areas.

Concerns for India

 Experts say that the law would formalise some of China's recent actions in disputed territories with both India and Bhutan, including the PLA's massing of

troops in forward areas along the India border and multiple transgressions across the LAC.

- The passing of the law **coincides with increased Chinese activity along the land borders**, which have mirrored actions in disputed waters in the East and South China Sea.
 - China in recent years has been strengthening border infrastructure, including the establishment of air, rail and road networks, launching bullet train in Tibet which extends up to Arunachal Pradesh border, and the construction of new frontier villages along the border with Bhutan.

India-China Border Dispute

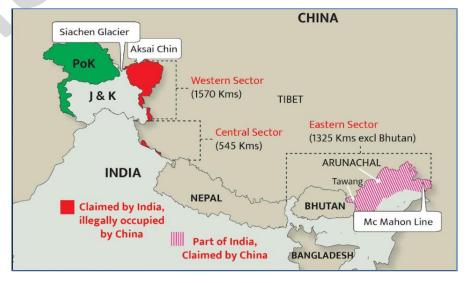
The border between India and China is not clearly demarcated throughout and there is no mutually agreed Line of Actual Control (LAC).

• 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.

Current standoff background

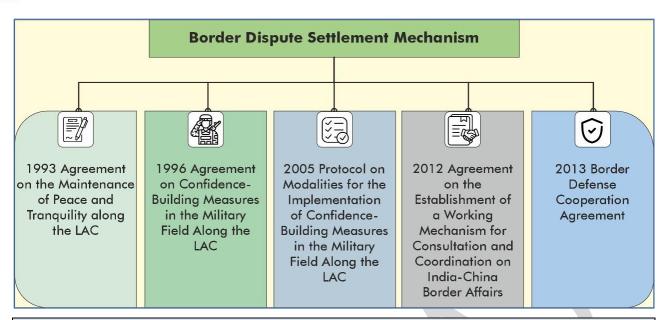
- Chinese soldiers crossed the LAC around the Galwan River valley (Eastern Ladakh) during May 2020 leading to high levels of tension between India and China. (see the map).
- In the events that followed at least 20 Indian soldiers were killed in a clash with Chinese forces. It was the first deadly clash in the border area in at least 45 years.
- Alongside, both agreed to maintain dialogue and communication through military and diplomatic channels.
- 13 rounds of discussion have already taken place and the two countries have withdrawn the front-line troops from the north and south banks of Pangong Lake and at Gogra Post but have been unable to withdraw troops at other friction points.
- Border remains tense as China is not inclined to move back from PP15 (Hot Springs area) and reports say that China is upgrading and installing radars swiftly along the LAC.





The LAC is divided into three sectors, viz. Western, Middle and Eastern (shown in the map).





Informal summits between India and China: Benefits and Limits

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.
 - o For example, the Wuhan summit after the Dokalam crisis last year managed to steer the China-India relationship from an overtly conflictual stance.
- China's Interest: The Chinese dispensation recognises the importance of engaging India to avoid unanticipated pitfalls in the relationship. Several factors explain this.
 - O 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 weighs on Beijing to limit the number of frictional relationships in its foreign policy.

However, there are **clear limits to informal summitry**, as India has found out since Wuhan. Despite all the rhetoric and symbolism 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.

Way forward

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. Need of the hour is-

- Reimagining the Spirit of Wuhan summit that was built on five pillars.
 - o simultaneous emergence of India and China is a reality.
 - o The relationship must become a positive factor for stability in the global power flux.
 - o Both sides recognise the importance of respecting each other's sensitivities, concerns and aspirations.
 - o Both leaderships would provide "strategic guidance to their respective militaries" to manage the border peacefully.
 - Both sides would strive for greater consultation on all matters of common interest, which includes building a real developmental partnership.
- **Achieving the manufacturing partnership:** Both countries must reach the objective of achieving enhanced trade and commercial relations.
- Working together on international issues 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 was 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.



Conclusion

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 likeminded Indo-Pacific partners like US, Japan, Australia etc. and 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).

Thus, India must be proactive to resist any Chinese transgressions and at the same time utilise its diplomatic skills to tone down the tensions.

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.
 - o 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:** 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.
- China Pakistan nexus: 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.

1.1.1. INDIA-CHINA WATER RELATIONS

Why in news?

Recently, there have been reports that China plans to build a major dam on Brahmaputra. This has reinvigorated the debate on India-China water relations.

More on news

Run-of-the-river Project

It is a type of hydroelectric generation whereby the natural flow and elevation drop of a river are used to generate electricity. (Hence, there is **no need to build a reservoir**).

- China has stated that it plans to **build run-of-the-river dams on Yarlung Zangbo** (the tributary of Brahmaputra (called Siang in China)).
- It has also stated that there is no cause for concern as it plans to **keep communication clear with lower riparian states** i.e., India and Bangladesh.
- India, on the other hand has stated that it will monitor the developments on the Brahmaputra closely.

What is the current status of India-China water relationship?

Trans-border rivers flowing from China to India fall into two main groups –

- The **Brahmaputra River System** on the Eastern side consisting river Siang (mainstream of river Brahmaputra) and its tributaries i.e., Subansiri and Lohit.
- The Indus River System on the Western side consists of river Indus and the river Sutlej.

There is **no institutionalized mechanism on water cooperation** between India and China, both countries have signed only -

- MoU for Hydrological Information of the River Brahmaputra in 2002 and in 2010 MoU on Hydrological Data Sharing on River Sutlej / Langgen Zangbo (renewed in 2015).
- ELM (Expert Level Mechanism) to cooperate in emergency management (e.g., flood), trans- border Rivers issues etc. in 2006.

Besides these continuous diplomatic engagement plays a key role in sustained communication for data sharing and other developments in the river systems.



What are the concerns that India has regarding the recent developments on Brahmaputra?

- **Volume and quality of water:** Experts have highlighted that even Run-of-the-river projects will significantly reduce the availability of water in the North-Eastern region and increase the siltation levels.
- **Absence of transparency in developments:** Chinese infrastructural developments in the Tibetan region have not been transparent. E.g.- Road developments near the India-Tibet border etc.
- Potential use as political leverage in border disputes: The control over joint water resources can be used as a political tool by China. For example, China stopped sharing of hydrological data on Brahmaputra during the Doklam standoff. (But it was sharing the same with Bangladesh.)
- **National Security implication:** The question of availability of water can turn into a National Security issue as it directly affects the existence of a large section of people.
 - Also, poor water availability in the Eastern region can trigger a fresh influx of refugees from Bangladesh.
- Environmental Impact: Several concerns emerge such as increased pollution in the river (Siang-Brahmaputra's main artery recently turned blackish grey as it entered India), potential impact on climate change, threat to biodiversity in the region and altering the monsoonal patterns of the region.
- **Increased disaster vulnerability:** Artificially controlling and consequent sudden releases of the flow of water increases the probability of floods especially in lower riparian areas of India and Bangladesh.
 - Also, China plans to build this infrastructure by using small nuclear explosions, that will not only impact
 the seismic balance of the region but also will have a radioactive fallout (affecting agriculture and
 water quality).

In this context, what can be the course of action for India?

The Indian dispensation has stated that it is monitoring the situation, but several experts have suggested to go beyond monitoring to secure its interests. Following steps can be taken by India-

- Strengthening its hydrological capacity: Efforts could be made to increase the monitoring capacity for the flow of water on the Indian side. For example, weekly monitoring of flow of water on every major junction of the river.
 - This can be accompanied with regular satellite-based monitoring of the complete stretch of the Brahmaputra river (for activity and infrastructural developments).
- Building international consensus against Chinese activities: India can bank on its image as a responsible Upper riparian state and try to persuade other lower riparian states like Bangladesh, ASEAN countries etc. to build a regional consensus for countering potential excesses from China.
 - Efforts can also be made to draw out a consensus of a collective of democracies in pursuance of International law of 'Prior Appropriation'. In accordance with the law, India being the first user has rights to use same quantity of water for hydropower projects on Brahmaputra against China.
- **Drawing clear red lines:** India must lay down clear red lines and communicate the same to China, with regard to the water security in the region. For example, if Run-of-the-river dams created by China alter the water availability in India, it will not be acceptable to India.

But monitoring capacity, international consensus and red lines will only be effective if India has the capacity to back this pressure with actions. As a result, it becomes pertinent that India develops its economic and military capacity to showcase that it can potentially harm China if such a need arises.

Conclusion

Strained water relations between countries will hinder the development on both sides. In the light of this, India could make an effort to further strengthen cooperation through diplomatic channels available like the Expert Level Mechanism and using other diplomatic means like the Himalayan Charter and Himalayan Council for the future of the Himalayas among others.

1.1.2. INDIA-CHINA ECONOMIC TIES

Why in news?

Amid the ongoing border standoff between India and China, there has been nationwide call for ban on Chinese goods. This calls for attention towards extent of India's Economic engagement with China.



INDIA-CHINA ECONOMIC TIES AT A GLANCE



NATURE AND EXTENT OF DEPENDENCY

- Chinese import is about 16.6% of all Indian Import. But, China accounts for about 5.3% of all of India's export.
- > The trade deficit with China at around \$63 billion.
- Pharmaceutical: About 2/3rd of India's total API requirement is sourced from china.
- Auto: Significantly high imports, especially in key sub-components.
- Solar Industry: The National Solar Mission is dominated by imports from China.
- Chemicals and agro chemicals: Large amount of raw materials are imported from China.
- Infrastructure: There have been large number of Joint Venture (JV) projects with Chinese players.
- There are roughly 800 Chinese companies in the India's market.
- Large scale Chinese investments in India's start-ups.
- Scale of Chinese investments in India is also unclear.
- COVID-19 has opened another dimension of dependence with regard to medical supplies.



- Low share of manufacturing in GDP vis-à-vis domestic needs
- Liberalized trade and FDI regime.
- Highly competitive Chinese goods. (in comparison to domestic competitiveness.)
- ➤ Ineffectiveness of trade remedial measures & enforcement.
- Absence of quality control and standardization of products in the domestic market.



IMPACT ON DOMESTIC INDUSTRIES

- Chinese imported goods are labour intensive & negative affect domestic employment.
- Chinese products dominate the unorganized retail thus affecting MSME Sector.
- Large dependence on China increases fragility of supply
- Threatens viability of price sensitive industries like solar industry.
- Poor quality Chinese products have a negative impact on Human Health and local environment.
- Negative impact on domestic industries affects growth of Make in India scheme & may aggravate the NPA situation.

STEPS TO RESTRICT CHINESE IMPORTS



- Changed FDI policy made prior government approval mandatory for companies from a country that shares land border with India.
- ► India aggressively imposed the Anti-dumping duties.
- India barred several Chinese firms from bidding for public procurement of goods and services on the ground of national security.
- India banned 59 mostly Chinese, mobile applications such as Tik-Tok citing security and public order concerns.

CHALLENGES IN BOYCOTTING CHINA



- Artificially reducing the trade deficit will undermine efficiency and come at the cost of the consumer's benefits.
- The poorest consumers are the worst-hit in a trade ban of this kind because they are the most price-sensitive.
- This will punish many Indian exporters and producers as more than 50% of India's imports from China are either capital or intermediate goods.
- This will barely hurt China as China's exports to India are just 3% of China's total exports.
- India will lose its policy credibility vis-à-vis other foreign investors.
- Unilateral measure like this could lead to a Mutually Assured Destruction situation.
- India-China technology access issues could escalate to a global technology war.

THE WAY FORWARD



- Rethinking Trade Strategy
- Focussing on selective and gradual phasing out of Chinese imports.
- Reviewing FTAs with other countries and ensuring that the rules of origin are followed.
- Trade partnerships with countries harbouring anti-China sentiments.
- Drawing a roadmap for manufacturing of intermediate goods in India.
- Choosing between essential and non-essential imports.
- Engaging with new actors within China for a more diverse dialogue engagement.
- Creating a regulatory framework that strikes balance between creating a investment environment and safeguarding of security and privacy.
- Giving states more autonomy to pursue their engagement with Chinese provinces.
- Strengthening the CII branch of Shanghai for engagement of private sector.

1.2. INDIA-NEPAL

Why in News?

Recently, political crisis in Nepal has attracted renewed attention towards reassessing the implications of instability in Nepal for India's bilateral and regional interests.



Areas of cooperation



- Economic: India is the largest trading partner of Nepal (Bilateral trade -US\$ 8.27 bn) and provides employment to 8mn Nepalese.
- Defence: India assists the Nepal Army in its modernization (More than 30,000 Nepalese Gorkhas are presently serving in the Indian Army), Military exercises like Surya Kiran to boost interoperability.
- Water resource: Kosi Treaty, Mahakali Treaty to discuss issues relating to cooperation in water resources, flood management etc.
- Energy: Power Exchange Agreement for meeting the power requirements in the border areas, Cross-border oil product pipeline from Motihari(Bihar) to Amlekhganj(Nepal).
- Connectivity projects: Raxaul-Kathmandu Railway project, BBIN
- Education: India provides scholarships to Nepalese students for various courses.
- Culture: Strong historical and cultural links in terms of religion, language, cuisine, movies etc. (Roti-Beti ka Naata)



INDIA -NEPAL RELATIONS AT- A- (2) GLANCE



Challenges in relationship



- Anti-India rhetoric is running high in Nepal.
- Nepal's aggressive stance over border disputes.
- Nepal has joined China's Belt and Road Initiative.
- Nepal's discontent in bilateral trade due to huge trade deficit that it incurs.
- Distrust towards India as a result of India's big brother attitude, lackadaisical approach towards revisiting the Treaty of Peace and Friendship of 1950 and approach of dealing with river treaties.
- Unrestricted cross-border movement of people which impacts Nepal's domestic industry, local livelihood opportunities, law and order, and national security.



Road Ahead

Interdependence between Nepal and India is essential to reset the relations. This requires:

- Focussing on multimodal connectivity between India and Nepal.
- Setting up appropriate bilateral mechanisms to discuss contentious issue.
- Multilateral forums such as BBIN, BIMSTEC, SAARC etc. must be utilized to serve common interests
- Sustained engagement and limited interference with Nepal across the political spectrum.
- Strengthening Economic cooperation
- Revisiting Peace and Friendship Treaty of 1950* as recommended by Eminent Persons' Group set up jointly by the two countries.

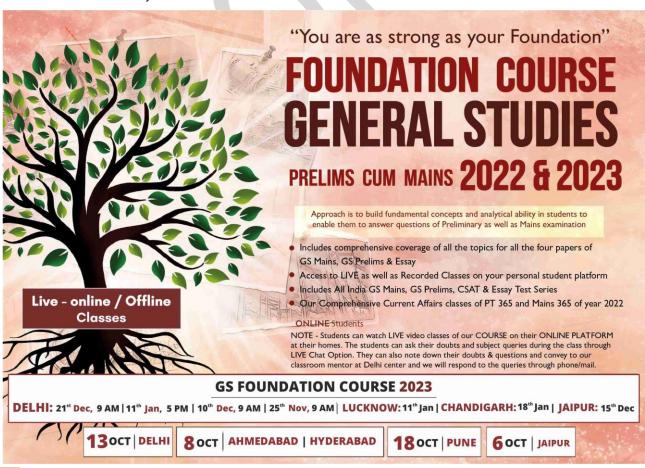


Background of India Nepal relations

- India-Nepal Treaty of Peace and Friendship of 1950 forms the bedrock of the special relations that exist between India and Nepal.
 - o **Nepalese citizens avail facilities and opportunities on par with Indian citizens** in accordance with the provisions of the Treaty.
 - Nearly 8 million Nepalese citizens live and work in India.
- The present political crisis in Nepal has a long history of the **power struggle between the two prominent leaders**, which to a great extent was camouflaged or contained through the intervention of the Chinese Communist leaders, from time to time.

Why stability in Nepal is in India's interest?

- **Strategic location of Nepal:** Apart from being an immediate neighbour, Nepal acts as a natural security buffer between India and China.
- Internal security: The harmonious relations between the two countries is necessary to nab dreaded terrorists groups such as Al-Qaida, Taliban, LeT etc. and deal with the rising nexus between the Maoist groups operating in India and Nepal and using Nepal as a transit base for their clandestine operations against India.
- Security of India aided developmental projects: Trust deficit between Nepal and India largely affected the
 implementation of various Indian-aided projects in Nepal such as cross-border railways, Pancheshwar
 multipurpose project, motorable bridges over Mahakali River among others. At times, some of the Indian
 investment projects had been attacked by the maoists.
- Flood water management and development of hydropower: Rivers originating in Nepal such as Gandak and Kosi feed the perennial river systems of India in terms of ecology and hydropower potential.
- **People to people connect-** Since time immemorial, people-to-people relations between Nepal and India have remained unique as it is based on the twin pillars of an open border system and people-to-people contacts of kinship.
- **Empowerment of Madhesis:** Madhesis inhabit the Nepali terai adjacent to the Indian plains. Their political empowerment through a democratic dispensation is important to India because any unrest there will spill over into our country.



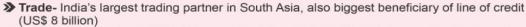


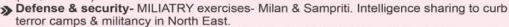
1.3. INDIA-BANGLADESH

Why in news?

The year 2021 marks the **golden jubilee (50 years)** of **1971 India-Pakistan war** that led to the liberation of Bangladesh.

Areas of Cooperation





- Connectivity- railway link between Haldibari, India & Chilhati, Bangladesh. Akhaura-Agartala rail link in underway, BBIN-Motor Vehicle Agreement (MVA) 2015, Chittagong & Mongla port for transshipment of goods to northeast states. Signed Protocol on Land Water Transit & Trade (PIWTT).
- > Foreign Policy- Bangladesh is at the center of 'Neighborhood First' & 'Act East' policies.
- ➤ Multilateral Cooperation- SAARC, BIMSTEC, Indian Ocean Rim Association.
- ▶ Border Management- Land Boundary Agreement (2015), Delimitation of Maritime Boundary.
- ➤ Protecting Ecology- MOU for conservation of Sunder bans(2011)

Steps taken to strengthen India-Bangladesh relations in the recent years

- Sharing of river water: Both countries signed a Memorandum of Understanding in 2019 on water sharing of the Feni river.
 o Recently, the bridge 'Maitri Setu' has also been built over the Feni river.
- ➤ Fuel pipeline: India is providing grant assistance for development of India-Bangladesh Friendship Pipeline, inaugurated in 2018, for supply of diesel from Siliguri in India to Parbatipur in Bangladesh.
- Assistance during COVID-19: India provided medical assistance in the form of test kits, PPE and medicines, as well as online trainings for medical professionals.
- ➤ Trade Facilitation: Both countries added two new routes and five port of call under the Protocol on Inland Water Transit and Trade (PIWTT), facilitating trans-shipment of Indian goods from Kolkata to Agartala via Chattogram.
- Financial aid: India has extended 3 Lines of Credits (LOC) and grant assistance to Bangladesh for development of infrastructure such as the Agartala- Akhaura rail link.
- Soft skills training programme has been launched by India for women entrepreneurs in Bangladesh.

INDIA-BANGLADESH AT- A- (6) GLANCE





Challenges



- Concern over NRC (in Assam) & CAA. Cross border crime- trafficking, fake currency, illegal migration etc.
- Water dispute- credibility issues of Joint River Commission (JRC 1972), Teesta river water sharing dispute.
- Chinese influence- through free access in Bangladesh's market & massive loans for developmental projects.
- Rising radicalization- III treatment of minorities, presence of international militant organization.

INDIA-BANGLADESH AT- A- 🏈



GLANCE

Steps taken to strengthen India-Bangladesh relations in the recent years

- Cross border Migration Management- through digitalization at grass root level.
- Managing water resources- Both countries should adopt basin-wide approach. Conducting JRC meetings at regular intervals.
- > Encouraging people to people interaction- to counter propaganda & misinformation.
- Expediting Projects in Bangladesh- Like India-Bangladesh friendship Pipeline, Maitree super thermal power project.



Related information

Recently, a virtual summit was held between the Prime Ministers of both the countries

Key takeaways of the Summit

- Signing of Bilateral Documents and Inauguration of Projects in varied fields such as Hydrocarbon, Trans-boundary Elephant Conservation, High Impact Community Development Projects (HICDPs) etc.
- Collaboration in therapeutics and partnership in vaccine production.
- A **commemorative postal stamp was issued** by India on the occasion of birth centenary of **Bangabandhu Sheikh Mujibur Rahman**, (founding leader of Bangladesh and country's first Prime Minister).
- Both sides agreed to work towards finalizing the delineation of the fixed boundaries along Icchamati, Kalindi,
 Raimongol, Hariabhanga and the Kuhsiyara Rivers.
- Inauguration of the newly restored railway link **between Haldibari (India) and Chilahati (Bangladesh),** which was defunct since the India-Pakistan war of 1965.

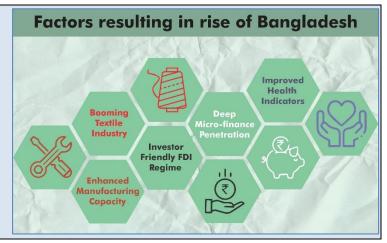
India-Bangladesh vs India-Pakistan: Contrasts and Learnings

Over the period of 50 years, in the east, India and Bangladesh have cooperated at bilateral and regional level. The same has not been possible in North-west, with Pakistan. This can be attributed to following reasons-

- Political stability and policy continuity: This has helped Delhi and Dhaka deepen bilateral ties over the last decade.
 - o In contrast, the political cycles in Delhi and Islamabad have rarely been in sync.
- **Concern for mutual security:** Cooperation in countering terrorism built deep mutual trust between Dhaka and Delhi. That trust helped deal with many complex issues facing the relationship.
 - o In the case of Pakistan, its army has sought to use cross-border terrorism as a political lever to compel India to negotiate on Kashmir.
- **Depoliticization of important economic issues:** Delhi and Dhaka have steadily moved forward on issues relating to trade, transit and connectivity by dealing with them on their own specific merits.
 - o Pakistan, on the other hand, has made sensible bilateral commercial cooperation and regional economic integration hostage to the Kashmir question.

Bangladesh: A Model for the developing world

- The impressive economic and social progress in Bangladesh is a source of inspiration not only for South Asia but also the entire developing world. From being one of the world's poorest countries in 1972, Bangladesh is now racing to be in the world's top 25 economies by the end of this decade.
- Its GDP per capita is just under \$2,000 —
 almost the same as India's. In five years, by
 2026, Bangladesh will drop its least
 developed country tag, and move into the
 league of developing countries on par
 with India.





1.4. INDIA-SRI LANKA

Why in news?

The Sri Lankan government has reportedly prepared a roadmap to repair its ties with India, which came under significant strain over multiple issues.

Areas of Cooperation

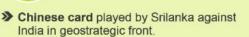
- (3) (8)
- Trade: Sri Lanka remains among the largest trade partners of India in the SAARC.
 - Culture: Buddhism, spread by Ashoka in Sri Lanka, is one of the strong pillars connecting both nations. Indian Technical and Economic Cooperation Scheme, Study in India Tourism etc.
 - Development projects: Sri Lanka is India's one of major development partners. For eg. India housing project.
 - Military Exercises: MITRA, SHAKTI, IN-SLN etc.



INDIA-SRI LANKA RELATIONS AT- A- G GLANCE



Challenges



- Trust deficit-13th amendment to Sri Lankan constitution, Non-signing of Comprehensive Economic Partnership Treaty(CEPA) and refusal of currency swap agreement (2021) by Sri Lanka
- Fishermen issues: About traditional fishing rights in and around Talaimannar & Katchathivu coast.
- Stalled infrastructure projects: Jaffana Hybird energy project, cancellation of Sampoor power plant, scrapping of East Container Terminal (ETC) project.

-----/Way forward

- Prioritizing India's interest in defense & geo strategic arena.
- Leveraging strength of economic relation to counter China.
- Deepening people to people contact.
- Other areas to strengthen ties can be promoting religious links, increasing trade & investment, resolving fishermen's issue.

1.5. INDIA'S TIBET POLICY

Why in News?

Recently, The US Senate passed the Tibetan Policy and Support Act (TPSA) of 2020 outlining United States' policy on Tibet.

About the TPSA

- Built on the landmark Tibetan Policy Act of 2002, the TPSA addresses Tibetan human rights, environmental rights, religious freedoms and the democratic Tibetan government in exile.
- It **formally recognises the Central Tibetan Administration (CTA)** as the legitimate representative of the Tibetan people.



- It will pave the way for the U.S. government to issue economic and visa sanctions against any Chinese officials who interfere with the succession of the Dalai Lama.
- The TPSA also introduces **new key provisions** aimed at protecting the environment and water resources on the Tibetan plateau and calls for greater international cooperation for the same.

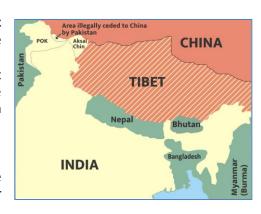
Background: Significance of Tibet

- Formidable buffer: Its entire southern rim is flanked by the Himalaya thus the land mass acts as barrier for any power operating beyond Tibet.
- **Source of water:** Tibet holds largest concentration of glaciers outside of the two Poles that feed the 10 major river systems such as Brahmaputra and Sutlej that sustain millions downstream.
- Geographical importance: Tibet plateau plays a major role in the Asian monsoon.
- Geostrategic importance and associated developments:
 - Presently, as per the popular perception, China considers Tibet as the palm and Ladakh, Nepal, Sikkim, Bhutan and Arunachal Pradesh as the five-finger leading to aggressive militarization and infrastructure building.
 - The incumbent and the 14th Dalai Lama has been living in exile in India and leading the movement for "genuine autonomy" for Tibet and the Tibetans.
 - US on the other hand supports the Central Tibetan Administration, the Middle Way Policy and genuine autonomy for Tibetans, religious freedom, environmental protection of Tibetan plateau and restoration of freedom in Tibet.

India's stance on Tibet: Is there a need to change it?

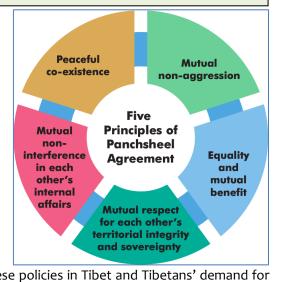
- India has a one China policy (policy asserting that there is only one sovereign state under the name China, as opposed to the idea that there are two states, the People's Republic of
 - China (PRC) and the Republic of China (ROC)) and has mostly refrained from playing the Tibet card against China.
- China and India had codified their position on Tibet and these remained the touchstone for addressing subsequent controversies on this issue.
 - For instance, under the 1954 treaty on trade and transportation on the border between Tibet and India which was preambled by Panchsheel (five principles of peaceful coexistence), India had formalised the recognition of Tibet as part of China.
- India currently has an executive policy (not a law) on Tibetans in India called "Tibetan Rehabilitation Policy 2014." While this policy was a significant development for Tibetans' welfare in India, it is devoid of any substantive relevance on core issues of Tibet, that is, destructive Chinese policies in Tibet and Tibetans' demand for

• However, in the recent Ladakh standoff, it was the first time India used special forces made up almost entirely of Tibetan exiles to occupy strategic heights in Pangong Tso's south bank. Strategically, the Tibetans were the first line of the defence for India.



Constraints in shifting Policy

- Landscape of Tibet has changed drastically, making it more self-reliant and with more jobs for future generations apart from ongoing demographic shift and mainstreaming Chinese culture in the region.
- India's Tibetan refugees are **cut off from the developments** in their homeland. Any shift in policy will have to take into account this change.
- Further, India's experience in the 2014-18 period reveals that waving the "Tibet card" has been more provocative than productive. For instance, open courting of Dalai Lama has prompted China to harden its hostile positions vis-a-vis India in the global forums.
- Tibet is a "core issue" for China and any change in India's policy on the matter would be treated as challenging China's territorial integrity.
- It can also provoke China to revive **support to insurgents** in India's north eastern territory.



freedom in Tibet.



- Experts are of the view that keeping in mind the attached importance of Tibet for India for our National Security, it is now high time that India should also adopt a more assertive stand on the Tibet issue in dealing with China.
 - Just like Tibetans, millions of Indians, particularly in states like Jammu & Kashmir, Himachal, Uttarakhand, Sikkim, West Bengal, and Arunachal worship the Dalai Lama. Almost half of the water (48%) that flows from the Tibetan plateau runs directly into India.
 - Also, **China is actively encroaching in the Himalayan borders** of Ladakh, Nepal, Sikkim, Bhutan and Arunachal Pradesh, which aim to an encircle India through different fronts. A more assertive policy with regard to Tibet is thus equally vital to Indian national security.

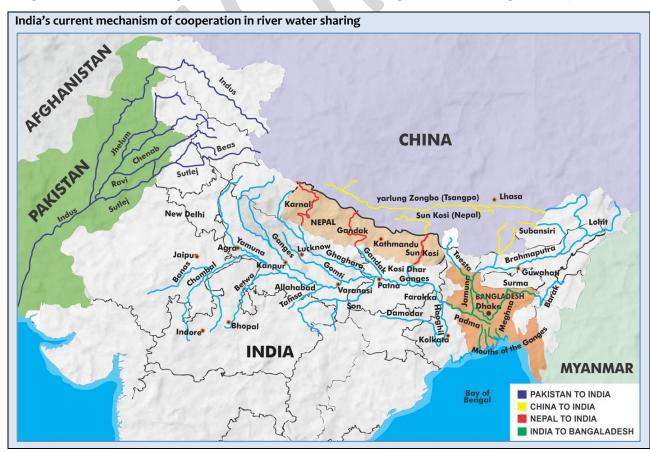
1.6. CROSS BORDER FLOOD MANAGEMENT

Why in news?

The recent flooding in north Bihar (the Mithilanchal region) indicates that flood control in Bihar is contingent upon inter-governmental river-basin cooperation between India and Nepal.

Why does India need a cross border flood management mechanism?

- High frequency of floods: The South Asian region collectively faces the problem of floods every year with change of season or variation in river flows. For instance, frequent floods in the Kosi region are a major point of discussion between India and Nepal.
- Large dependency on rivers: Close to 80% of India's population is dependent on 14 major rivers for food and livelihood. Any altercations and variations in the river ecosystem could have a drastic impact, especially on the agricultural sector.
 - This along with poverty and fragile nature of the regional economy makes hazards such as floods even more destructible in nature.
- Flood-control mechanism needs an integrated approach: Developments in any of the river sharing states directly impacts all the countries sharing the river ecosystem. For example, infrastructural developments on Brahmaputra in China impacts both India and Bangladesh.
- **Emerging threats like climate change:** The effects of climate change i.e., rising sea levels or melting of glaciers could drive changes in the river ecosystem whose mitigation demands regional cooperation.





Countries	Mechanism for cooperation		
India-Nepal	 The Kosi Treaty of 1954, under which the embankments in Nepal were established and maintained. The Mahakali Treaty pertains to sharing water of Mahakali river. 		
India- Pakistan	• Indus Waters Treaty of 1960 allocated three western rivers (the Indus, Chenab and Jhelum) to Pakistan, and the three eastern rivers (Ravi, Beas and Sutlej) to India.		
India-China	 Memorandum of Understanding upon provision of Hydrological Information of the River Brahmaputra. Memorandum of Understanding on Hydrological Data Sharing on River Sutlej. Expert-Level Mechanism to discuss interaction and cooperation on provision of flood season hydrological data and emergency management. 		
India- Bangladesh	 The Ganges Treaty is an agreement to share surface waters at the Farakka Barrage near their mutual border. System of Transmission of flood forecasting data on major rivers like Ganga, Teesta, Brahmaputra, and Barak during the monsoon season. 		
India- Bhutan	 Comprehensive Scheme for Establishment of Hydro-meteorological and Flood Forecasting Network on rivers Common to India and Bhutan. A Joint Group of Expert (JGE) on Flood Management. 		

What are the major issues in cross border flood management?

- **Limited Sharing of Hydrological Data:** The water sharing among the South-Asian states has been sporadic in nature and remains contingent upon the status of their political relationship. For example, China stopped sharing **hydrological data on the Brahmaputra** with India during the 73-day Doklam standoff in 2017.
- Asymmetric control between upper and lower riparian states: The undue advantage is exploited by upper
 riparian states in multiple ways. For instance, China is using its leverage over water flows as a stick to win
 concessions from downstream South-east Asian states on other issues, including its Belt and Road
 Initiative.
- Absence of a binding international or regional agreement: Absence of such a treaty indirectly forces states to seek bilateral arrangement which has limited effectiveness and is rarely enforceable at international level.
- **Problem of Water Nationalism:** At times, the problem of cross-border cooperation assumes a political character, especially in the case of Pakistan and China. For instance, Pakistan has time and again challenged India's **Baglihar dam project on the Chenab River** before the World Bank.
- Issues with the prevalent treaties:
 - Not futuristic in nature: The current treaties don't account for technological advancement or variable infrastructure development along the river. E.g., the Kosi treaty did not make enough provisions for the maintenance of embankments and the rivers changing their course.
 - Poor implementation of the treaties: For instance, the Mahakali Treaty is in force, but there have been
 ups and downs in its implementation.
 - Absence of multilateral treaties: All major treaties are bilateral in nature despite the riparian ecosystems being connected. For example, the India-Bangladesh cooperation is contingent upon usage by Nepal as an upper riparian state in the river ecosystem.

What approach can be adopted for overcoming these challenges?

- Exploring avenues of Cooperation: There are huge potentials of regional cooperation on several issues, including sharing of major rivers during lean period, augmentation of flow of the lean period, hydropower generation and distribution, sharing of data for flood forecasting, water quality improvement, watershed management etc.
- Need for Political will: Everyday policy concerns like water sharing and usage often receive less attention, and are combined with larger security or border concerns, or are dealt with only when natural disasters occur.
 - Such issues need to be addressed from a place of a genuine community of interest and political will for 'river sharing', which take a positive sum approach rather than a zero-sum one.
- Recommendations of Standing Committee on Flood Management: The Committee recommended the government should take necessary diplomatic measures to renegotiate the treaty with Pakistan to address the impact of climate change on water availability in the Indus basin.



- Learning from best practices: South
 Asia as a region has much to learn
 from the experiences of international
 treaties(given in the box) and river
 basin organizations.
- Long term Planning: India and Nepal need to be in dialogue to end the crisis of flooding every year and for that both countries need a long-term strategy of water management cooperation.

Some of the international treaties and best practices

- 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.
- Treaty for Amazon Co-operation in 1978: signed for equitable sharing in South America between Bolivia, Brazil, Columbia, Guyana, Peru, Suriname and Venezuela.
- 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.

Conclusion

The countries of the region are **dependent on one another as far as protection from floods is concerned.** This makes flood control a **mutual responsibility of the region** and thus should be approached in a collective manner.

1.6.1. INDUS WATER TREATY

Why in News?

After a gap of more than two and half years, Indian and Pakistani delegations began the 116th Meeting of the Permanent Indus Commission.

About the Indus Water Treaty (IWT)

- IWT was signed in 1960, between India and Pakistan and brokered by the World Bank.
- The treaty fixed and delimited the rights and obligations of both countries concerning the use of the waters of the Indus River system.
- It provided for the funding and building of dams, link canals, barrages, and tube wells—notably the Tarbela Dam on the Indus River and the Mangla Dam on the Jhelum River.
- The treaty required the creation of a Permanent Indus Commission, with a commissioner from each country, in order to maintain a channel for communication and
 - to try to resolve questions about implementation of the treaty. In addition, a mechanism for resolving disputes was provided.
- All the water of the eastern rivers Sutlej, Beas, and Ravi which amounts to around 33 million acre-feet
 (MAF) annually is allocated to India and is for unrestricted use. And the water of western rivers Indus,
 Jhelum, and Chenab which is around 135 MAF annually has been assigned mostly to Pakistan.
 - India has the right under the Treaty to generate hydroelectricity through run-of-the-river projects on the western rivers. These are subject to specific criteria for design and operation. And, under the Treaty, Pakistan has the right to raise objections on design of Indian hydroelectric projects on western rivers.
 - ✓ **Run-of-the-river hydroelectricity project** is a type of hydroelectric generation plant whereby little, or no water storage is provided.

What are the prevalent issues within the treaty?

• Pakistan's opposition to the Indian projects: The opposition is majorly on the issue that whether projects on Jhelum and Chenab conform to the technological specifications specified in the agreement. The issue has seen its manifestation in several projects-





- Kishanganga Hydroelectric Project (KHEP), Jhelum: Pakistan has opposed the construction of the project since its inception and also approached World Bank for the same.
- Ratle Hydroelectric Project, Chenab: The project has been under negotiations with the World Bank that whether the designs of those projects violated the terms of the treaty.
- Other projects: Pakal Dul Hydroelectric Project, Marusudar (a tributary of Chenab), Miyar Dam, Miyar Nallah (a tributary of Chenab) and Lower Kalnai, Chenab have also been objected.
- **Politics:** The sharing of water is a sensitive issue for both India and Pakistan. As a result, the **discussions get extremely politicized.** For instance, Pakistan maintains high troop levels and alertness around the canals on the eastern front, fearing that India will try to take control of the western rivers.
 - Along with these issues, the Indus Water Treaty also gets affected by the overall developments in the India-Pakistan relationship.

Why abrogation of the treaty is not a viable option?

- Going against international law: The IWT does not have a unilateral exit clause. Technically, under the
 Vienna Convention on the Law of Treaties, there are provisions to sever and withdraw from the treaty.
 However, the provisions cannot be appropriately used to abrogate the IWT.
 - Even the severance of diplomatic and consular relationships between India and Pakistan cannot terminate the IWT.
- Effect on India's other lower riparian state: The abrogation of the IWT will send alarm bells ringing in India's other lower riparian country like Bangladesh which receives about 91% of its waters from the rivers flowing from India.
- China's cooperation on hydrological data: Growing China-Pakistan nexus can result in China withholding Hydrological data in response to the abrogation of the treaty.
 - Such data plays an important role in gauging the amount of water coming from Tibet into Arunachal Pradesh and taking measures to avert any major disaster or floods in the state.

Way Forward

While the treaty may have served some purpose at the time it was signed, following efforts could be made to overcome the current bilateral challenges and optimize the use of Indus Water System resources-

- Globally advocating India's position: Over the years, India has been a generous upper riparian state as it has utilized only about 93% of its stipulated water storage capacity. Further, out of the total estimated capacity of 11406 MW electricity that can be harnessed from the three western rivers in Kashmir, only 3034 MW has been tapped so far.
 - This position could be advocated to counter Pakistan's attempts to internationalize the issue by involving World Bank.
- Modification in light of new hydrological realities: With development of advanced engineering methods in dam construction and de-siltation, there is an urgent need to modify the treaty to incorporate the same.
- Seeking cooperation: Efforts could be made to seek cooperation with Pakistan in areas wherever it is possible. For example, Article VII of the IWT talks about "future cooperation" and calls for taking up joint studies and engineering works on the rivers.



2. BILATERAL, REGIONAL AND GLOBAL GROUPINGS AND AGREEMENTS INVOLVING INDIA AND/OR AFFECTING INDIA'S INTERESTS

2.1. INDIA-US DEFENCE AGREEMENT

Why in News?

India and the United States signed the landmark defence pact, **Basic Exchange** and **Cooperation Agreement (BECA)** during the third round of 2 + 2 India-US ministerial dialogue.

More in News

- BECA is the final of the four foundational agreements that the US signs with close partners.
 - Foundational agreements are meant to build basic groundwork and promote interoperability between militaries by creating

3rd India-US 2+2 Ministerial meeting

- A 'two plus two dialogue' is a term used for installation of a dialogue mechanism between two countries' defence and external affairs ministries to discuss strategic and security interests.
 - India has also established a 2+2 dialogue mechanism with other
 Quad countries: Japan and Australia.
- Key Highlight of 3rd Meet
 - o Advancing the Defense and Security Partnership: Signing of Basic Exchange and Cooperation Agreement (BECA).
 - Strengthening Bilateral U.S.-India Cooperation: Some key Agreement signed for
 - ✓ Technical Cooperation on Earth Sciences.
 - ✓ Extending the arrangement on nuclear cooperation.
 - ✓ Agreement on postal services.
 - ✓ Cooperation in Ayurveda and cancer research
 - Cooperation during COVID-19 Pandemic: Ministers sought to jointly promote access to high quality, safe, effective and affordable COVID-19 vaccines and treatments on a global scale.

common standards and systems. They also guide sale and transfer of high-end technologies.

Four foundational agreements

Basic Exchange and Cooperation Agreement (BECA) for Geospatial Intelligence	 BECA will allow India and US militaries to share geospatial and satellite data with each other which includes Maps, Geomagnetic and Gravity data, Digital publications, technical assistance etc. It will allow India to use the US's advanced geospatial intelligence and enhance the accuracy of automated systems and weapons like missiles and armed drones. It is signed in 2020.
Logistics Exchange Memorandum of Agreement (LEMOA)	 LEMOA gives access, to both countries, to designated military facilities on either side for the purpose of re-fueling and replenishment. The agreement will primarily cover four areas — port calls, joint exercises, training and Humanitarian Assistance and Disaster Relief. This is purely a logistical agreement and there will be no basing of the U.S. troops or assets on Indian soil. India can access the string of U.S. facilities across the globe for logistical support and the U.S., which operates in a big way in Asia-Pacific, will benefit from Indian facilities. It was signed in 2016.
Communications Compatibility and Security Agreement (COMCASA)	 It is an India-specific version of Communications and Information Security Memorandum of Agreement (CISMOA). It allows both sides to operate on the same communication systems, enabling an "interoperable" environment for militaries. It provides the legal framework for the US to part with its sensitive communication equipment and codes to enable transfer of real-time operational information. It allows India to procure transfer specialized equipment for encrypted communications for US origin military platforms like the C-17, C-130 and P-8Is. It was signed in 2018 and valid for 10 years.



General Security of Military Information Agreement (GSOMIA)

- It facilitates opportunities **for greater intelligence sharing between India and US.**Recently, Industrial Security Annex (ISA) to GSOMIA was concluded between both countries.
- ISA provides a framework for exchange and protection of classified military information between U.S. and Indian defence industries.
- It was signed in 2002.

Significance of foundational Agreements

- Affirmation of the mutual trust between the two militaries.
- Facilitate Better Defense Ties
- Strengthen India's conventional offensive and defensive capacity.
- **To counter China:** Close defence and military cooperation between India and US as well as with other likeminded nations in the future helps to counter Chinese aggression in the region.
- **Strategic Convergence in the Indo-Pacific:** A close partnership between the United States and India is central to a free, open, inclusive, peaceful, and prosperous Indo-Pacific region.
- Enhance humanitarian assistance: Assist in building worldwide capacity to conduct successful
 peacekeeping operations, with a focus on enabling other countries to field trained, capable forces for
 these operations.

Issues with these Agreements

- **Russia Factor:** US wants India to move away from Russian equipment and platforms, as it feels this may expose its technology and information to Moscow.
- More favourable to US:
 - Critics express that agreements are intended to boost U.S. arms sales to India to the benefit of the U.S. economy and American workers.
 - The agreements, particularly the **LEMOA**, **primarily benefit the United States** since Indian ships are less likely to refuel and resupply at U.S. ports.
- India's policy of Strategic Autonomy: Critics express that the agreements imperil India's long-held foreign policy of strategic autonomy by paving the way for U.S. bases or ports in Indian territories, or unduly binding India to U.S. systems and procedures.
- Sharing of critical data: Implementation of the COMCASA would involve data-sharing that could reveal the location of Indian military assets to Pakistan or other third parties.

Conclusion

Since the Civil Nuclear Agreement of 2005, the India-U.S. defence cooperation has been advancing at a rapid pace. The U.S. has relaxed restrictions on technology trade in India's favour considerably, and India is designated a 'Major Defence Partner'. Conclusion of foundational agreements would further deepen defence cooperation and definitely placed India in a strategically advantageous position. However, India's policy maker must ensure that these agreements would not affect India's strategic autonomy.

2.2. INDIA-JAPAN

Why in news?

While inaugurating the **Rudraksh Convention Centre of Varanasi**, Indian PM acknowledged Japan as India's most trusted friend with shared fundamental values.

More on News

• In 2014, India and Japan signed a **Partner City/Sister City Affiliation Agreement** between the cities of Varanasi and Kyoto for cooperation in areas of culture, art, academics, heritage conservation, city modernization etc.

The Rudraksh International Cooperation and Convention Centre (Varanasi) is one of the projects under it, designed to give a fillip to the cultural activities in the city and funded by Japanese International Cooperation Agency.



Areas of coperation

- Economic and commercial relations
- > Comprehensive Economic Partnership Agreement (CEPA)
 - Japan is one of the largest investors of FDI in India and biggest bilateral donor to India under Japanese Official Development Assistance (ODA).
 - India and Japan are working with Australia on the Supply Chains Resilience Initiative (SCRI).
 - > Defence and security cooperation:
 - India and Japan are working with Germany and Brazil for permanent membership of UNSC (as G4 or Group of Four).
 - > 2+2 Dialogue (Foreign and Defence Ministerial Dialogue),
 - Quadrilateral Security Dialogue (Quad) between India, United States, Japan and Australia for Free and Open Indo-Pacific.
 - > Armed forces exercises such as JIMEX, Shinyuu Maitri etc.
 - Skill Development: Japan has set up 12 Japan-India Institute of Manufacturing and offered to train 30,000 Indian youth in Japanese style manufacturing.
 - Cooperation in Frontier and Emerging Technologies such as Space (JAXA, LUPEX), Digital Partnership (I-JDP) and India-Japan Emerging Technology and Innovation Fund for startups in AI and IoT.

INDIA JAPAN RELATIONS AT- A- @ GLANCE





Challenges

- Limited Success of CEPA: Despite elimination of tariffs over imports, the trade between two nations has grown marginally.
- Trade deficit between two nations has increased in favour of Japan.
- The higher minimum standards on everything in Japan, acts as entry barrier for Indian companies and products reducing dynamism in investment.
- Difference on Cross-border Data Flow: While India is looking at data localization (e.g. RBI rules on payment systems), Japan along with number of other G-20 nations proposed standardization of cross-border data flow under 'Osaka Track'.
- No Concrete Achievement by Asia-Africa Growth Corridor (AAGC)

Way Forward for enhanced cooperation



- Resolving Data Localisation Issues
- Expediating economic convergence by removing anomalies of trade
- Accelerate cooperation at the global stage

2.3. INDIA-RUSSIA

Why in news?

Recently, the 50th anniversary of the **Indo-Soviet Treaty on Peace, Friendship and Cooperation** signed in 1971 was celebrated.



Key features of the Treaty

Peace	Friendship	Cooperation	
• Each Party shall respect the	• The treaty condemned	Treaty binds both parties to abstain	
independence, sovereignty and	colonialism and reclaimed for	from providing any assistance to any	
territorial integrity of the other	their complete elimination.	third party that engages in armed	
party and refrain from interfering	• The treaty aims to maintain	conflict with the other Party.	
in the other's internal affairs.	regular contacts with each	To consolidate and expand mutual	
• To halt the arms race and to	other on major international	co-operation in economic, scientific	
achieve general and complete	problems affecting the	and technological fields on the basis	
disarmament, including both	interests of both countries by	of the principles of equality, mutual	
nuclear and conventional, under	means of meetings and	benefit and most-favored-nation	
effective international control.	exchanges of views.	treatment.	

Significance of the Treaty

- **Upholds principle of Strategic Autonomy:** It was not a military alliance. On the contrary, it strengthened the basis for India's strategic autonomy, and its capacity for independent action.
- **International pact:** According to experts, the treaty was perhaps the most consequential international pact entered into by India since Independence.
- Convergence of interests: The treaty symbolised an alignment of interests in the face of regional and international challenges. It also symbolised an extraordinary convergence of national interest of both countries on the most critical issues of war and peace.
- Contemporary significance: While the Treaty was of historical importance, concluded for an era that "has gone by," its geopolitical underpinnings remain of enduring value, reflected in the close partnership between India and Russia in the 21st century, characterised as special and privileged Strategic Partnership.

Strategic Importance of India-Russia relations

- Defence partnership: The defence ties rest on 3 features of technology transfer, joint development, marketing & selling and export of equipment (an agreement non-existent 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 Su30 and Tactical Transport Aircraft.



- **Economic Relations**: Both countries achieved a bilateral trade of \$7.5 Bn in 2019 and set investment targets of achieving \$30 billion by 2025.
- Energy Security: 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.
 - o Both are extending civil nuclear cooperation to 3rd world countries like 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 favouring India's 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.

Contemporary issues

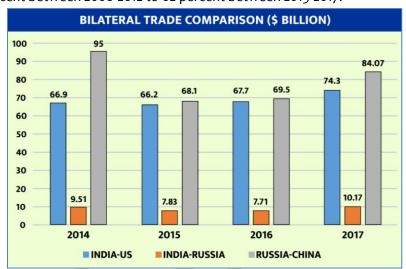
India Russia relations have remained close, but they have lost intensity of India-Soviet relation. Recently, there has been a decline in India Russia Relations due to reasons such as:



• 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:

- o India has been recently diversifying its defence relations with US, Israel etc. Russia's share of Indian defence imports fell from 79 percent between 2008-2012 to 62 percent between 2013-2017.
- India and US signed four foundational agreements (Like Logistics agreement, Basic Exchange and Cooperation Agreement etc.), which shows enhanced inter-operability between the two militaries. India Russia relation lacks this aspect.
 - ✓ However, India-Russia bilateral logistics agreement, The Reciprocal Exchange of Logistics Agreement (RELOS) is to be concluded soon.



Trade:

- o Trade has been one-dimensional i.e., **defence based** and far below in comparison to India's bilateral trade with China and the United States.
- 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 lifted arms embargo on Pakistan, both conducted a military exercise, and a military-technical cooperation agreement was signed between the two which deals with arms supply and weapon development. All these factors raised concerns in India.
- One Road and there has also been concern about Moscow leaning toward Beijing in forums like the BRICS. Also, both inaugurated the first cross-border pipeline between their countries, called the "Power of Siberia" to pump natural gas from Russia's far-east regions to China 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. For example, India has not been invited to a crucial meeting being convened by Russia on the fast-evolving situation in Afghanistan.

Way forward

- **Diversifying areas of cooperation** beyond energy and defence. The trade relationship remains weak and needs active intervention to take advantage of policies like 'Make in India'.
 - o India and Russia continue to share a common strategic rationale for their relationship. Apart from bilateral synergies, the two are members of various multilateral organisations including BRICS, RIC, G20, East Asia Summit and SCO—where avenues for cooperation on issues of mutual importance exist. There is also a need for cooperation in areas like counter terrorism, cyber security, the Afghanistan conflict, outer space, and climate change.
- **Mutual needs:** India would do well to take steps to shore up its relations with Russia to prevent it from becoming more dependent than it already is on China. At the same time, Russia would also benefit from diversifying its relations across the region, including India, so as to prevent its pivot to Asia becoming a pivot to China.
- Relevance in Indo-Pacific region: India would benefit from a closer cooperation with Russia in the Indo-Pacific.
- Strengthening Eurasian Presence: The proposal of Russia for a 'more extensive Eurasian partnership involving the Eurasian Economic Union (EAEU) and China, India, Pakistan and Iran' should be used by India to strengthen its presence in Eurasia.



2.4. INDIA-UK

Why in News?

India-UK virtual summit was held recently.

Significance of UK for India

- > Economic:
- > Trade: \$15.5 billion with a trade surplus in favour of India.
- Investment: India as the second largest investor in the UK and UK is the 4th largest inward investor in India.
- Strategic: Owing to US and China rivalry UK being a like-minded country, can play a role in furthering India's strategic interest in Indo-Pacific.
- Reduce dependence on China: Reduce economic exposure to China. Like UK banned Huawei equipment from its 5G network.
- Support for Anti-terrorist agenda: Co-sponsored efforts at the UN against extremist group Jaish-e-Mohammed.
- Ageing population of UK: To fill labour force gap, India can contribute.
- Cultural and Diaspora Relations: Around 1.5 million people of Indian origin resides in UK.



INDIA – UK RELATIONS AT- A- 🏟 GLANCE



against Britain

Issues in India -UK relations

- Colonial prism: Anti-colonial resentment
- India's complex business environment: Complicated laws on tax, imports, and foreign direct investment, etc.
- UK's immigration policies: Limits on the movement of people.
- Defence cooperation: Reliance on commercial-led transactions than on government-to-government framework
- Closeness to Pakistan and China: UK's softness on Pakistan-sponsored terrorism and its concerted effort to make China the anchor of post-Brexit economic policy.
- Recent attitude of UK's labour party: Interference in India's domestic politics, including on Kashmir and farmer's agitation.



Way forward

- Managing Indo-Pacific: Needs a wider coalition to ensure regional balance.
- Post Brexit partnership: Conclusion of FTA with UK, better environment for services sector, more employment opportunities for skilled Indian workers, etc.
- Wider cooperation: Urbanization, digitization and skill development. Also in education, science, and creative industries etc.



More on News

• During the summit, 'Roadmap 2030' was adopted to **elevate bilateral ties to a 'Comprehensive Strategic Partnership'.**

Roadmap 2030				
Connecting countries and	Trade and Prosperity	Defence and Security	Climate	Health
people				
 Strengthen 	 Launching an 	 Expand 	Launch a	Develop the India-
cooperation and	Enhanced Trade	cooperation under	global	UK partnership on
coordination at	Partnership (ETP),	the Defence and	Green Grids	Vaccines,
multilateral fora such	which includes	International	Initiative at	Therapeutics and
as G-20, WTO etc.	intent to negotiate a	Security	COP ₂ 6, to	Diagnostics and
• Implement the	comprehensive Free	Partnership	help deliver	expand the UK-
comprehensive	Trade Agreement.	(DISP) agreed in	India's	India Vaccines Hub
Migration and	 Increase exchanges 	2015.	vision of	to develop
Mobility Partnership	and cooperation in	 Promote freedom 	One Sun	distribution policy,
• Explore partnership	the services sector.	of navigation and	One World	clinical trials,
around the future of	 Encourage UK 	open access, and	One Grid.	regulation,
work.	companies to invest	improve maritime		research and
• Implement 'India-UK	in India's	cooperation.		innovation related
Together' ('SAATH-	manufacturing	 Promote 		to Covid-19, helping
SAATH' in Hindi) to	sector taking	international		guarantee
celebrate India's 75th	advantage of the	security and		equitable global
anniversary of	Production Linked	stability in		supply by April
Independence.	Incentive Scheme.	cyberspace.		2022.

2.4.1. BREXIT TRADE DEAL

Why in news?

The United Kingdom and the European Union have agreed to a post-Brexit free trade deal i.e. The EU-UK Trade and Cooperation Agreement (TCA), sealing the UK's exit from the bloc.

Background

- Brexit or "British exit" refers to the process of the withdrawal of the United Kingdom from the European Union and the European Atomic Energy Community.
- Following a referendum in 2016, Britain became the first country to leave the EU in January 2020 after which an 11-month transition period was kicked-in in accordance with the withdrawal agreement.
- The UK and European Union have finally agreed a deal that will define their future relationship.

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.
- It has its own currency, the euro, which is used by 19 of the member countries, its own parliament and other institutions.
- Article 50 of Lisbon Treaty provides for exit of member countries from European Union.
- The United Kingdom joined it in 1973.





Major provisions of the deal

- Goods trade: The trade deal does not impose any tariffs or quotas on goods traded between the EU and UK.
 - Agricultural products also would not be subject to tariffs or quotas, however, shippers would face new challenges and higher costs as a result of new border requirements.
- Level Playing Field: The EU and UK have both agreed to uphold their environmental, social, labour and tax transparency standards.
- Disputes: Any disputes on the trade between the two parties are subject to negotiation by both but EU courts will have no say in the matter.
- Professional services: There will no longer be automatic mutual recognition of professional qualifications.
- Law: There will be cooperation between the EU and the UK, especially in cases of investigating terrorism and other serious crime. Exchange of DNA, fingerprint and airline passenger information is allowed under the new deal.
- Mobility or freedom of movement: UK nationals no longer have the freedom to work, study, start a business or live in the EU. Visas will be required for stays over 90 days.

India, UK and EU: Trade Relations

- UK is India's 14th largest trade partner and trade between India and UK touched \$15.5 billion with a trade surplus in favour of India.
 - The UK is the a huge source of foreign direct investment in India and India is also one of the largest investors in the UK economy.
- The EU is India's 3rd largest regional trading partner. India's overall bilateral trade with the European Union is \$115.64 billion.
 - The EU continued to be one of the largest sources of FDI for India and India is among the few nations in the world that run a surplus in services trade with the EU.
- There are about 800 Indian-owned companies in the UK employing lakhs of people. (Eg: Jaguar Land Rover is owned by the Tata group). Many of these firms made investments with the wider European market in mind.
- Together, the **UK and Europe account for over-a-quarter of the country's IT exports**, worth around \$30bn.

Impact of Brexit deal on India

Brexit will create both opportunities and challenges for India. However, India may emerge as a net gainer from the Brexit deal.

- Services Sector: In sectors such as IT, R&D, architecture and financial services, India may gain in both the markets but particularly in the UK.
 - For example, in the IT sector, India's competitor in the EU, particularly in the lower segment of services, is Poland. Now, because Poland will have restrictions on the free movement of professionals, that may be to the advantage of India.
- Indian exporters who were catering to the EU and UK markets will not have the challenge of meeting different standards and registrations for the markets.
- Trade Deals: Brexit also opens the opportunity for India to sign trade deals separately with both the EU and the UK.
 - A well-negotiated bilateral trade deal between the UK and India has the potential to increase bilateral trade by 26%.
- Barriers for Indian manufacturers: Indian companies who have based their headquarters either in the UK
 or the EU to serve both the markets may face some challenges. These include restrictions on the
 movement of professionals, reaching rules of origin thresholds for zero tariffs, ensuring the correct
 regulatory approvals for the final products, and potential delays at borders.



2.5. INDIA-AUSTRALIA

Why in news?

Recently, the foreign and defence ministers of India and Australia held the first India-Australia 2+2 Ministerial Dialogue.

Areas of coperation

- Economic and commercial relations
- > Bilateral goods and services trade at \$24.4 billion and foreign direct investment was valued at \$1.4 billion.
- Australia's "An India Economic Strategy to 2035", a vision document to shape India-Australia bilateral ties
- India-Australia Grains Partnership aims to use Australia's expertise in post harvest
- Defence and security cooperation: Strategic Partnership, Joint Declaration on Security Cooperation and Civil Nuclear Cooperation Agreement
- Science and Technology: Australia-India Strategic Research Fund and Agreement on Cyber and Cyber-Enabled Critical Technology.
- Global cooperation
- > Chinese aggression and assertive foreign policy are common concerns
- > Both have shared interests in vision of a free, open, inclusive and rules-based
- > Both are part of QUAD, and 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 including students (nearly 7 lakh) in Australia



INDIA-AUSTRALIA RELATIONS AT- A-

Challenges







- 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.

- Both countries should conclude CECA at the earliest, to realize the economic opportunities
- Expand engagement in various sectors like defence industry and commercial cyber activity etc.

Key focus areas of the dialogue:

- Focus on Indo-Pacific: To maintain an open, free, prosperous and rules-based Indo-Pacific region
- **Focus on Supply Chain Resilience Initiative**
- Shared Vision on Afghanistan post-Taliban takeover
- **Countering Terrorism**
- Strengthening Bilateral Relationship
- Cooperation in Covid-19

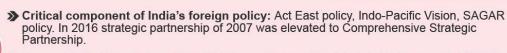


2.6. INDIA-VIETNAM

Why in News?

Indian Prime Minister and his Vietnamese counterpart recently participated in a Virtual Summit.

Significance of Vietnam for India



- Support to India on International Platform: like membership to India in expanded UNSC.
- > Countering China in South China Sea.
- ➤ Convergence of interests: India and Vietnam closely cooperate in various regional forums such as ASEAN, East Asia Summit, Mekong Ganga Cooperation, Asia Europe Meeting (ASEM) besides UN and World Trade Organisation (WTO).
- ➤ Strong Trade Complementarities: like in defense sector (Bilateral trade in general has reached US\$ 12.34 billion in 2019-20).
- Energy Security: Oil & petroleum exploration in South China Sea.
- ➤ Maritime Security & safety: Nearly 50 % of India's trade is from Indo-Pacific



INDIA – VIETNAM RELATIONS AT- A- GOOD GLANCE



Concerns



Way forward

- Chinese claims over South China Sea: can threaten India's prospect of exploring hydrocarbons in the region.
- India's decision to opt out from RCEP: can adversely impact growth of trade relations.
- Inconsistent trade growth: due to differences in foreign policy.
- Promoting closer people to people exchange: Buddhist & Cham cultures, direct flights, ease of travelling etc.
- Enhancing Economic Cooperation: with sub regional frameworks as Indian Ocean Rim Association (IORA), BIMSTEC.
- Renewing the Joint Vision on Defense Cooperation for 2015-2020: to affirm close defense & security ties.



Key Highlights of the Summit

- **Seven agreements** were signed by the two countries covering diverse issues such as **defense**, **nuclear power**, **petrochemicals**, **renewable energy**, **among others**.
- A **Joint Vision** document for Peace, Prosperity and People and a **Plan of Action** were released to guide the future development of India Vietnam Comprehensive Strategic Partnership.
- Other major announcements include-
 - Implementation of the 554High-Speed Guard Boat (HSGB) Manufacturing Project for Vietnam Border Guard Command under the US\$ 100 million Defence Line of Credit extended by Government of India to Vietnam.
 - Enhancing the number of **Quick Impact Projects (QIPs)** from currently 5 per year to 10 per year commencing FY 2021-2022.
 - ✓ The QIPs are short gestation projects mostly covering upgradation of physical infrastructure such as roads, local community centres, social infrastructure such as in the education, health, sanitation or community development sectors.
- Launch of a bilateral project for **Encyclopedia on India Vietnam Civilizational and Cultural Interactions.**

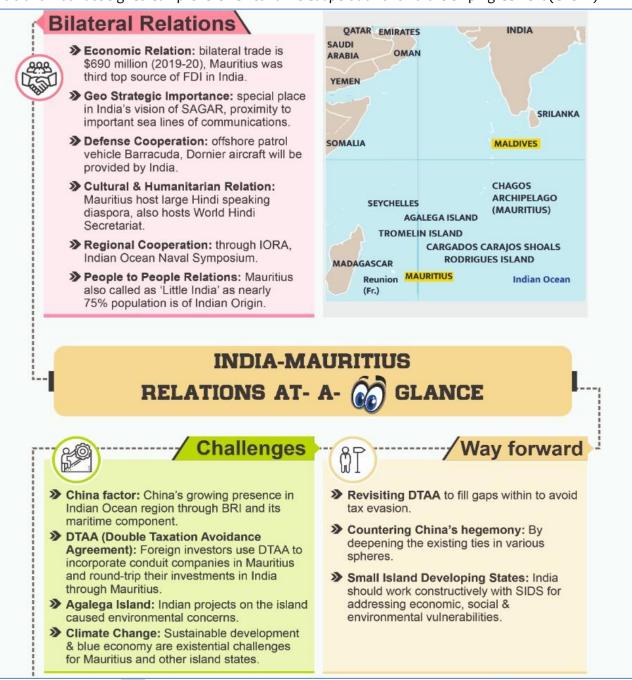




2.7. INDIA-MAURITIUS

Why in news?

India and Mauritius signed Comprehensive Economic Cooperation and Partnership Agreement (CECPA).



About CECPA

- CECPA is the first trade agreement signed by India with a country in Africa.
- Agreement is a limited agreement, which will cover Trade in Goods, Rules of Origin, Trade in Services,
 Technical Barriers to Trade (TBT), Sanitary and Phytosanitary (SPS) measures, Dispute Settlement,
 Movement of Natural Persons, Telecom, Financial services, Customs Procedures and Cooperation in
 other Areas.
- CECPA between India and Mauritius **covers various export items for India**, like textile and textile articles, electricals and electronic item etc.
- Mauritius will have preferential market access into India for its various products.
- Both sides have also agreed to negotiate an **Automatic Trigger Safeguard Mechanism (ATSM)** for a limited number of highly sensitive products within 2 years of the Signing of the Agreement.
 - This will automatically increase levies once imports cross a given threshold.

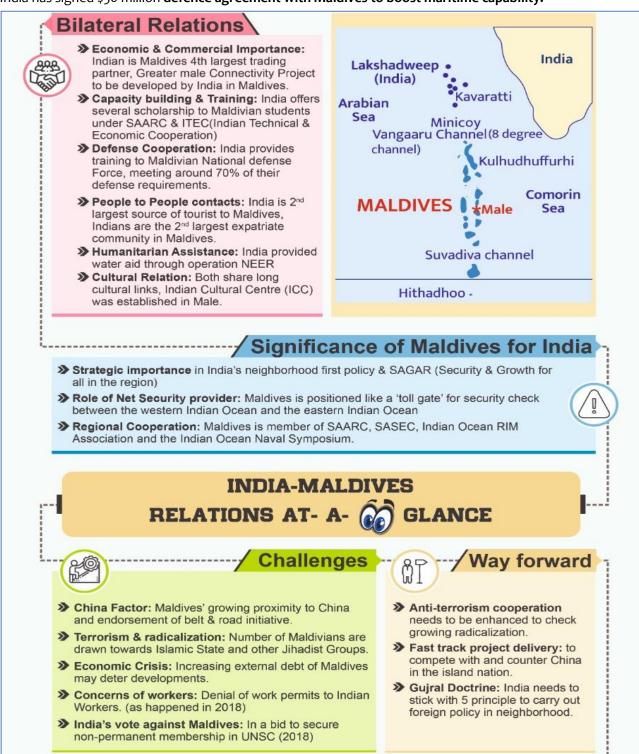


- ATSM is considered as an effective tool in balancing trade among multilateral partners.
- o It was also part of the trans-pacific partnership, TPP, negotiations.
- India also extended a **USD 100 million Line of Credit to Mauritius** to facilitate the procurement of Indian defence equipment.

2.8. INDIA-MALDIVES

Why in news?

India has signed \$50 million defence agreement with Maldives to boost maritime capability.



More about news

 Agreement will facilitate capability building in the maritime domain and facilitate regional HADR (Humanitarian Assistance and Disaster Relief) efforts.



- India will develop, support and maintain an important naval facility for the Maldivian armed forces. E.g., Maldives National Defense Force Coast Guard Harbor at Sifvaru (Uthuru Thilafalhu).
- India also signed project execution contract for the construction of roads in Addu.

2.9. INDIA-REPUBLIC OF KOREA (SOUTH KOREA)

Why in News?

Recently, India and South Korea concluded their bilateral talks on defence cooperation.

Bilateral Relations



- Political: India's role in Korea's independence in 1945; consular relations est. in 1962; relation upgraded to 'special strategic partnership' in 2015; India is part of South Korea's "New Asia Community Plus" framework.
- Commercial: CEPA in 2010; Korea Plus' initiative to promote and facilitate South Korean Investments in India.
- Cultural relations: An annual festival of India 'SARANG', India offers scholarships and fellowships to Korean nationals, Bollywood, K-pop and Korean Cuisine.
- Emerging area of cooperation:
 - o Defence,
 - o Cooperation in Afghanistan through capacity building programmes,
 - o South Korea has supported India's bid for NSG membership,
 - South Korea's New Village Movement (NVM)can be a learning experience for India's Swachh Bharat Abhiyan.



INDIA-SOUTH KOREA RELATIONS AT- A- (G) GLANCE



Challenges



Way forward

- CEPA has not been effective in improving bilateral trade
- Despite strategic partnership, no specific bilateral goals are identified.
- Lack or ease of doing business: Delays and cancellations in granting approval to Korean companies.
- Deteriorating relationship between Korea and Japan affecting India.
- Korea's absence from Indian Ocean Region's security apparatus.
- South Korea's shifting perception about its economic engagement with China has influenced its strategy towards other Asian powers including India.
- India needs to take advantage of this opportunity as South Korea can be a major economic partner in India's economic growth.
- Such engagement will also enhance India's strategic leverage, especially in the Indo-Pacific region.



More on News

- India and South Korea have agreed to go for joint production and export of military hardware, enhance intelligence sharing and boost cooperation in cyber and space domains as part of overall expansion of defence and security ties.
- South Korea also expressed interest in India's two defence corridors.
 - Government is working on setting up two defence industrial corridors, one in Uttar Pradesh and another in Tamil Nadu, with an aim to ensure connectivity among various defence industrial units
- Earlier, in 2019, both sides concluded Naval logistics sharing pact and Defence educational exchanges;
 Forward-looking roadmap that will streamline and strengthen bilateral defence industry collaboration.







2.10. INDIA'S PALESTINE POLICY

Why in news?

Recently, violent clashes erupted between Israeli and Palestinian factions in the Gaza Strip which have ended with Israel and Hamas agreeing to an Egypt-mediated ceasefire.

Background of the Israel Palestine Conflict

- Bone of Contention: There are a number of issues on which Israel and the Palestinians cannot agree like:
 - What should happen to Palestinian refugees.
 - Whether Jewish settlements in the occupied West Bank should stay or be removed.
 - Whether the two sides should share Jerusalem.
 - Whether a Palestinian state should be created alongside Israel.
- Israel still occupies the West Bank, and although it pulled out of Gaza, the UN still regards that piece of land as part of occupied territory.
 - Hamas is the largest of several Palestinian militant Islamist groups that controls Gaza.



- Religious Significance of Jerusalem: Jerusalem contains sites sacred to Judaism, Islam and Christianity like:
 - ✓ Al Aqsa mosque, the world's third holiest site in Islam.
 - ✓ Western Wall, a place sacred to the Judaism.
 - ✓ **Church of the Holy Sepulchre**, a church built on the traditional site of Jesus' Crucifixion and burial, is sacred to Christianity.







What has been India's Israel-Palestine Policy?

Initial Phase	7"	
	the partition of Palestine.	
Cold War Phase	• India remained a strong supporter of Palestinian freedom, taking a moral and legal position	
	against the Israeli occupation, in line with international laws and norms.	
	When Israel seized 78 % territories during the six days war of 1967, India supported the	
	creation of an independent, sovereign Palestine state based on the 1967 border and with East	
	Jerusalem as its capital that lives alongside Israel thereby supporting Two State Solution.	
Madrid Peace	India established full diplomatic relations with Israel in 1992, in the context of improving Israel-	
Conference	Palestine ties after the Madrid Conference of 1991 (where a Two State Solution was agreed upon)	
	and the changes in the global order following the disintegration of the Soviet Union, but never	
	abandoned the Palestinians.	
Contemporary	A shift in India's policy appeared in 2017 when India dropped the references to East Jerusalem	
Phase	and 1967 Borders (which India earlier used to claim during Cold war phase).	
	• In 2018, India adopted de-hyphenation policy which simply means that India's relationship	
	with Israel would stand on its own merits, independent and separate from India's relationship	
	with the Palestinians.	
	• In the aftermath of recent violence between Israel and Palestine (Hamas), India at UN	
	reiterated its strong support for the Palestinian cause and its unwavering commitment to the	
	two-state solution.	

Rationale behind the India's Policy

India's support for Palestine stems from following reasons:

- Consonance with Indian values: India's policy towards Palestine was consistently in conformity with the basic tenets of its foreign policy, that is, anti-imperialism, anti-racism, support to the liberation struggles around the world, etc.
- Middle Eastern Cooperation: India imports more than 80% of its oil needs and for that relies heavily on Islamic Countries of Middle East.

What is the two-state solution?

- It means that an independent, sovereign Palestine state and an independent, sovereign Israeli state would coexist in peace.
- The first proposal for the creation of Jewish and Arab states in the British Mandate of Palestine was made in the Peel Commission report of 1937 which proposed that Palestine be partitioned into three zones: an Arab state, a Jewish state, and a neutral territory containing the holy places.
- India supports the Two State Solution aimed at addressing the legitimate aspirations of Palestinians for Statehood and Israel's security concerns.
- Opposition to Palestinian cause, could also provide some traction to Pakistan's attempt to bring about a Pan-Islamic Alliance involving countries like Turkey, Malaysia etc. for raising Kashmir issue at international level.
- Aspiration for Global Leadership: In order to get 2/3rd majority for Permanent seat at UNSC, India also needs support of 57 member states of Organization of Islamic Cooperation (OIC) out of the total 193 UN members.

The **support provided to Palestine had to be accompanied with de-hyphenation policy** because of growing ties with Israel on **economic, social and most importantly strategic level**. For example, Israel is engaged with India in development of several joint defence projects like Barak 8 missile.

What are the prevalent issues in India's Israel Policy?

- India's global ambitions will not allow fence-sitting on global issues: India's balancing act between Israel and Palestine is currently intact. But, as India's status as a global power rises, it would become increasingly difficult for it to take a neutral stance on such issues.
- India's stance on terrorism is in conflict with support for Palestine: India's global stance against the idea of distinguishing between good terrorism and bad terrorism does not allow it to support the terrorist activities (by Hamas) in the Palestinian regime.

Conclusion

The success of India's policy is dependent on the **efficacy of its balancing act in the region**. The best way to strengthen this act is to take a predictable, principled and unbiased stance. Such a stance would provide India with the **flexibility to maneuver its act according to the situation** while simultaneously enabling it to take a geopolitically principled stance.



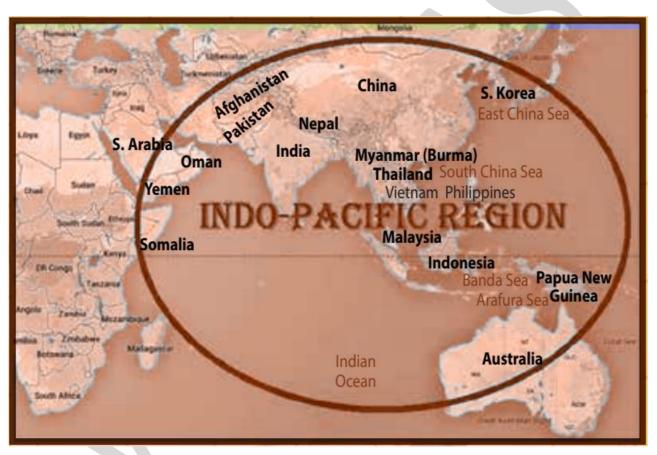
2.11. INDO-PACIFIC REGION

Why in news?

Tide of international politics has shifted to Asia in general, and the Indo-Pacific in particular, with the economic rise of countries like India, China, Singapore, Vietnam, and Indonesia among others.

About Indo- Pacific

- The Indo-Pacific is a **geopolitical construct** which represents an **integrated theatre that combines the Indian Ocean and the Pacific Ocean**, and the land masses that surround them.
- It has gained relevance in the recent times due reasons such as presence of important sea lines of communication, maritime security concerns, rise of Asian Economy and China's aggressive military and foreign policy.
- Several regional and extra regional countries like India, Japan, USA, Australia, France etc have released policies focused on the Indo-Pacific acknowledging the strategic shift towards the region and to strengthen relations and to expand cooperation with Indo-Pacific countries.





India and the Indo-Pacific Region

India and Indo-Pacific Region at a glance

India's interests in the Indo-Pacific

- Peace and security in the Indian Ocean
- Expanding its presence in the region, especially in Africa, the Middle East and Southeast Asia
- Maintain its role as a net security provider
- Countering China
- Enhancing Trade and Investment Cooperation and Promoting sustain-
- Other Interests: Combating marine pollution, Regulating illegal, unregulated, and unreported (IUU) fishing, deep sea mineral exploration and effective disaster risk management

Key elements of India's vision for the Indo-Pacific (PM's Shangri La Dialogue, 2018)

- A free, open, inclusive region
- Southeast Asia at the centre of Indo Pacific
- A common rules-based order for the region
- Equal access to common spaces on sea and in the air, as a right under international
- Circumventing power rivalries through partnerships

Strengthening and preserving traditional roles in IOR

- Security Provider and First Responder
- Early warning and weather forecasting services
- **Providing Developmental Assistance**
- Maintaining trade and investment flows in the region

External Affairs:

Separate divisions under Ministry of These include Indo-Pacific Division (IPD) and Indian Ocean Region Division (IOR)

Foreign Policy

- Utilizing its Soft Power: with the help of Indian Diaspora, cultural exchanges. E.g. Project Mausam
- Policies aligning with the vision of Indo Pacific: such as Act East Policy, SAGAR

Naval Strategy

- Maritime Domain Awareness (MDA): through institutions like- Information Management and Analysis Centre (IMAC) and Information Fusion Center for the India Ocean Region (IFC-IOR) and initiatives like white shipping agreements and coastal surveillance radar chains on IOR islands.
- Expanding/maintaining India's naval presence: through Mission Based Deployments (MBDs) and Joint Exercises

Initiatives

India's policy

towards the

ndo-Pacific Region

- Indo Pacific Oceans' Initiative
- Indian Ocean Naval Symposium
- Asia Africa Growth Corridor
- International Solar Alliance
- Coalition for Disaster Resilient Infrastructure

Partnerships

- **QUAD and ASEAN**
- Regional groupings: E.g. Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), Indian Ocean Rim Association (IORA), Mekong Ganga Cooperation, Forum for India-Pacific Islands cooperation (FIPIC).
- Minilaterals: E.g. Trilateral dialogue with France and Australia

Challenges faced by India

- Limited Naval Capacity and Lack of military bases
- > Challenges to trade: Tariff and non-tariff measures (NTMs) and poor infrastructure connectivity
- Slow pace of developments of initiatives
- Balancing Continental and Maritime Strategies
- Challenges to MDA: submarine deployments, grey shipping and dark shipping.
- Disapproval from within due to divergence from traditional positions on nonalignment
- Barriers to fruitful partnerships: Lack of definitional consensus and differences in priorities

Way Forward

- Issue based Coalitions and Partnerships framed by a model of burden sharing.
- Enhancing engagements with non-traditional players such as Micronesia
- Strategic use of Island Territories
- Debt solutions for vulnerable countries
- Innovative mechanisms such as QUAD+

2.11.1. EU INDO-PACIFIC STRATEGY

Why in News?

Recently, European Union (EU) released "EU Strategy for Cooperation in the Indo-Pacific".



Key objectives of EU Indo-Pacific Strategy



Solidify and defend the rules-based international order



Establish mutually
supportive trade and
economic relations
with the region



Contribute to achieving the Sustainable Development Goals (SDGs)

Why an EU Indo-Pacific strategy?

- Assertive China: With slowly increasing concerns over China's rise and its aggressive and expansionist
 policies, concerns about the future of the EU-China relations started making imprints in the minds of the
 policymakers of EU member states as well.
 - Earlier, Germany released its "Policy guidelines for the Indo-Pacific region" in September 2020, soon followed by the Netherlands'.
- **Growing US-China rivalry** and how that could negatively impact European interests was one of the factors that could not be taken lightly any longer by Europe.
- **Greater role in Indo-Pacific:** EU is feeling the need to play a bigger role in Asia, to bear greater responsibility and to have an impact on the affairs of this region, whose fate is intertwined with that of Europe.
- **Securing Sea Lanes of Communication (SLOCs):** Given that Europe has mostly engaged with this region in the trading realm, security of the SLOCs and the safe passage of commercial vessels is an important concern for the EU.
- Other imminent issues which the Indo-Pacific region faces that can have an impact on EU's own security
 interests too, like the potential risks of emerging technologies, ensuring supply chain resilience, and
 countering disinformation.

2.11.2. FORMATION OF AUKUS

Why in News?

Recently, Australia, UK and US have announced a new trilateral program AUKUS for deeper cooperation in the Indo-Pacific.

About AUKUS

- AUKUS is a new security alliance that aims at greater sharing of defence capabilities within the alliance.
- The plan is to give access to cutting edge military technology to Australia by its two partners, including futuristic capabilities like artificial intelligence and quantum technologies.

AUKUS and India

Complications

- Why is France upset with AUKUS?
- It has lost a mega submarine deal to the US, which means huge revenue loss for the French military industry.

 As part of the pact, Australia will abandon its US \$43 billion plan to build French conventional submarines, and instead build vessels based on US-UK technology.
- France was **excluded** from AUKUS security pact **despite France's strong presence in the region.**
- It feels humiliated at **being kept in the dark** about what the other three
 democracies were planning.
- New Challenge in Indo-pacific: There is apprehension that the deal could eventually lead to a crowding
 of nuclear attack submarines in the Eastern Indian Ocean, eroding India's regional pre-eminence.
- U.S's unreliability: France's unhappiness with AUKUS has complicated the situation a bit from India's perspective. In the light of these issues, some experts suggest that US cannot be completely relied on, as it has excluded its long-time ally France from the grouping despite being a NATO partner.
- AUKUS vs Quad: AUKUS has taken the focus away from the Quad. The agreement suggests preferential treatment on the part of US for a close Anglo-alliance partner.
- Recently, India's Foreign Secretary stated that AUKUS had no links with the Quad and won't impact
 the functioning of the grouping.



Impact on other multilateral engagements: Recently, France has pulled out of India-France-Australia foreign ministers trilateral (formed to counter balance China) to protest against AUKUS.

Opportunities

- It will strengthen the Quad's agenda to keep the Indo-Pacific region free, open and inclusive.
 - ✓ AUKUS could also extend itself to bolstering the Quad's efforts on maritime exercises, security and efforts in countering COVID-19, climate change, cooperating on critical technologies, and building resilient supply chains.
- It provides leverage to India in both the diplomatic and defense trade realms, particularly with France.
- It reflects continued and intensifying U.S. and Australian concerns about China. Moreover, it is designed to increase their capabilities in the region (which will also, consequently, increase the cumulative capabilities of the Quad).

2.11.3. INDIA-FRANCE

Why in News?

Recently, India and France reviewed their increasing bilateral collaboration in Indo-Pacific region.

- Move came against the backdrop of France's anger over the creation of AUKUS grouping, by Australia, UK and US.
- This gives India considerable leverage in both the diplomatic and defence trade realms, particularly with France.

Significance of a deepening alliance For India

- Alignment of outlooks: India stands to benefit by deepening ties with a partner that shares its ideals of multilateralism, pluralism and a non-military, deterrence-based policy.
 - Furthermore, it gains an ally that shares its interpretation of what constitutes the region, as India includes Gulf of Aden in the West to Burma and Thailand in the East as the Indian Ocean — a vision shared by the French.
- Defence modernization: A market to procure increasingly critical military technologies as India struggles with its indigenous defence industries and increasingly strained defence budgets.
 - For example, India can engage with France to acquire critical naval nuclear reactor technology.
 - Also, Rafale jets, manufactured by French aerospace major Dassault Aviation, are India's first major acquisition of fighter planes in last 2 decades.
- New economic opportunities: Joint economic cooperation between Indian and French companies is well set up to find common ground in the Gulf to build further economic partnerships.
 - Many Gulf nations are showing intent towards a more liberalised economic and social order to secure its future beyond oil.
- Cooperation in space activities: India can partner with France to use outer space assets in developing maritime domain awareness in addition to focusing on satellite navigation, space transportation, and human exploration of space.
- Additional security: Proposed Joint Patrols are also to be executed in the north-western Indian Ocean, which provides additional security for India.
 - o IORIS, the Indian Ocean Regional Information Sharing & Incident Management web-platform has been initiated under EU CRIMARIO (European Union Critical Maritime Routes in the Indian Ocean), a program run with France's support.

Significance for France

- Closer relations with India and increased involvement in the Indian Ocean pave way for greater French engagement with the South and Southeast Asian countries.
- It would help France diversify its existing relations and also give it a greater voice in the Indo-Pacific.
- Getting a direct line and a seat at the table in what is widely regarded as the new centre of the global balance of power, would thus also give France an advantage over other European nations.
- India is a vast market for defence sales, a hyper-competitive space where French companies have struggled.
 - As per data from 2013-17 (compared with the previous five years), France recorded an increase of more than 500 percent in its arms exports to India.
- Others: Opportunities for greater collaboration in other significant sectors such as health, education, research and innovation, energy and climate change.
 - With International Solar Alliance (ISA), France and India can spearhead the development of multilateral initiatives which accommodate the voices of those who are most at risk.



By cooperating within frameworks such as COVAX and ACT, France and India can work towards engaging with and defending the interests of Lower and Middle Income Countries (LMICs).

Conclusion

Instead of constricting India, AUKUS has opened a window of strategic opportunity and a chance for India to deepen its partnership with France provided it plays the cards well. By leveraging the potential of convergences, France can be India's gateway to Europe. With intense and mature diplomacy, India can leverage AUKUS as significant step towards managing the geopolitical turbulence in the Indo-Pacific and can use its formation to complement the importance of Quad.

Related news

Recently, India-France Agree on Space Security Dialogue (SSD)

- The bilateral space security dialogue will be the third for India. Earlier, India has had such arrangement with two countries United States (2015) and Japan (2019).
 - o For France, India will be the first Asian country with which it will have such a dialogue.
 - Cooperation between India and France across space and nuclear domains reflect the confidence and trust the two enjoy with each other.
- Through SSD, both countries will arrive at a common multilateral understanding of the emerging space environment and the possible threats to the safe, secure, sustainable, and continued access to outer space.
- Significance of SSD
 - Indication of India's changing space orientation: India's civil space cooperation engagements with different countries have evolved to focus more on space security.
 - To protect space assets, as the rapid growth of counter-space capabilities by China is a serious threat for India,
 France, Japan, and U.S.
 - To address global navigation satellite system, space situational awareness, space security, sustainability of the outer space environment and collision avoidance in outer space.
 - Such conversations with like-minded partners would give India a **prominent leadership role in global governance.**

2.11.4. RISE OF THE MINILATERALS

Why in news?

India recently conducted a virtual **trilateral** dialogue with **France and Australia** with a focus on enhancing cooperation in the **Indo-Pacific Region.**

Factors responsible for the rise of Minilaterals

Topics of Discussion

- Economic and geostrategic challenges and cooperation in the Indo-Pacific.
- Cooperation on Marine Global Commons and other potential areas through regional organisations such as ASEAN, Indian Ocean Rim Association (IORA).
- To strengthen and reform multilateralism.

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. This is due to reasons such as:

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



2.12. 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.

About BIMSTEC

- Conceived in 1997, through the Bangkok Declaration.
- Grouping of seven countries aims to accelerate economic growth and social progress among members across multiple sectors.
- >> Represents 22% of the world's population, \$2.8 trillion GDP.
- Founding principles were like sovereignty, equality, territorial integrity, political independence, etc.
- Areas of Cooperation: 14 priority areas including communication, counter terrorism etc.



Significance of BIMSTEC for India

- Economic: Bay of Bengal is major trade route for untapped natural resources such as natural gas, etc.
- Accelerate integration of South Asia: SAARC became "dysfunctional", thus a preferred platform.
- Connecting South Asia and Southeast Asia:
- India-Myanmar-Thailand Trilateral Highway, the Kaladan Multimodal Transit Transport Project and the BIMSTEC Motor Vehicle Agreement.
- Development of North eastern region: Sittwe port in Myanmar, etc.
- To counter Chinese influence due to BRI.
- Energy security: Exploring energy opportunities at the Rakhine coast of Myanmar.

BIMSTEC AT- A- 👸 GLANCE

Challenges



Way Forward



- Lack of political will: Only 4 summit level talks took place since 1997.
- Stalled progress in FTA: Adopted a framework to negotiate an FTA in 2004 but still pending.
- Regional geopolitics: Reluctance to convey the impression of anti-china.
- Perception of Indian hegemony: Hesitancy regarding the connectivity projects
- Physical Infrastructure: Poor road and rail connectivity, insufficient last-mile links and cumbersome customs and clearance procedures.
- Absence of strong institutional framework: Lack of capacity with BIMSTEC Secretariat due to its budgetary deficits.

- Focus less on geo-politics and more on common regional concerns.
- Concluding FTA.
- Increasing its membership base: Membership to Indonesia, Malaysia, and Singapore (the three major Asian powers).
- Prioritize sustained physical connectivity and high-quality infrastructure.
- Empower the BIMSTEC secretariat with greater financial resources.
- Prioritising multilateralism including facilitating tourism diplomacy, academic and student-exchange programmes, and crossborder public health initiatives.

About the charter

- Charter is expected to
 - o define a long-term vision and priorities for cooperation,
 - o 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.

2.13. INDIA AND THE PERSIAN GULF REGION

Why in news?

Indian Air Force participated for the **first time in Exercise Desert Flag-VI (annual multi-national exercise) hosted by the United Arab Emirates** Air Force indicating India's growing military ties with the Persian Gulf Region.

About Persian Gulf Region (PGR)

- The Persian Gulf region includes 8 countries- Iran, Oman, United Arab Emirates, Saudi Arabia, Qatar, Bahrain, Kuwait, and Iraq bordering the Persian Gulf
- The Persian Gulf and its coastal areas are the world's largest single source of petroleum (50 percent of the world's oil reserves)
- The Persian Gulf has many fishing grounds, extensive coral reefs (mostly rocky) and abundant pearl oysters
- The Persian Gulf was a battlefield of the 1980–1988 Iran–Iraq War, and is the namesake of the 1991 Gulf War (Iraq's invasion of Kuwait).
- India's historical connection with the Gulf dates back more than five thousand years, to trading between the ancient civilisations of the Indus Valley and the Dilmun (linked with present-day Bahrain).



Strategic importance of PGR for India

- The foundation of the relationship is based on the 3Es, namely, energy, economy and expatriates
 - namely, energy, economy and expatriates
 o Economic relations: The India-Gulf trade in 2019-20
 was nearly 19% India's global trade., invesments in
 infrastructure development.
 o Energy Security: 53% of India's oil imports and 41%
- of gas imports come from the region.
- Expatriates: Around 9 million Indians reside in PGR remitting \$ 40-50 billion (2% of India's GDP and two-thirds of total remittances to the country).
- India as their strategic partner: India has extended its strategic partnerships with Iran, Oman, Saudi Arabia and the UAE.
- Foreign policy: PGR is an integral part of India's extended neighborhood in terms of geographical proximity, expansion of interests and growing Indian clout in the entire region.

PERSIAN GULF REGION AT- A



GLANCE



Challenges in the relationship

- Balancing the relations: India has to maintain its relationship with Iran amidst US sanctions, navigate the geopolitical rivalries between Saudi Arabia, Iran and Israel.
- Safety and security of the Indian nationals in the gulf countries are a key priority for the Indian government.
- Protectionist policies of the Gulf Cooperation Council (GCC) have a direct impact on Indian diaspora.
- Radicalisation of citizens: Increasing incidences of terrorism, sprawling terror outfits and probability of re-emergence of Islamic State (IS).
- Corona crisis: Disruptions in the GCC, caused by the historic low oil prices and plummeting global demand are likely to have economic implications for India.
- Rising Chinese influence: With a growing Chinese presence in Iran, India is concerned about its strategic stakes such as completion of the Chabahar port project.
- Despite decreasing trends in commercial and trade relations, Indo-Gulf relations will continue to flourish because of common concerns to

counterterrorism and extremism.

In the longer run, India needs to find new drivers for the India-Gulf synergy with cooperation in healthcare and gradually to sectors like pharmaceutical.



2.14. INDIA-ASEAN

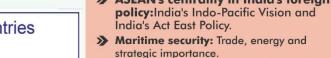
Why in news?

Recently, 17th ASEAN-India Summit was held virtually.

Development of relationship of India with ASEAN:

- ➤ Strategic Partner of ASEAN in 2012, Announced Act-East Policy in 2014.
- ➤ Economic and commercial relations: FTA with ASEAN, ASEAN being India's fourth largest trading partner, FDI flow from India to ASEAN increased by 98 per cent.
- ▶ Political and Security Cooperation: Dialogue Partner of ASEAN. Mechanisms like ASEAN Regional Forum (ARF), the East Asia Summit (EAS), ASEAN Defence Minister's Meeting plus etc. Annual Track 1.5 event Delhi Dialogue.
- **Socio-Cultural Cooperation:** Capacity development and enhancing people-to-people connectivity like exchange programs. Tourism and Indian Diaspora.
- Connectivity: India-Myanmar-Thailand Trilateral Highway and the Kaladan Multimodal Project.
- **≫ Science and Technology:** ASEAN-India Science & Technology Development Fund.
- **Environment:** ASEAN-India Green Fund for support and collaboration.

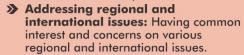
≫ ASEAN's centrality in India's foreign



- > Investment opportunities for Indian
- businesses: Lower cost of production.

Importance of ASEAN for India

- Lucrative market for Indian firms.
- Countering China: Common aspect of territorial and border issues with China.
- Integration with regional and global supply chains: Like Vietnam's FTA with EU will help India.



Failure of South Asian Association for Regional Cooperation (SAARC)



ASEAN AT-A- 👸 GLANCE

Concerns

- > Trade Deficit: Tilted towards ASEAN about US\$ 22 billion in 2018-19.
- >> RCEP: India's walk out from RCEP.
- India's limited Capacity: In terms of development assistance, market access, and security guarantees.
- » Inadequate infrastructure: Due to lack of adequate physical and institutional infrastructure.
- > Chinese Influence: ASEAN became China's largest trading partner.

- Way Forward

- Enhancing Cooperation through convergence between India's Indo-Pacific Oceans Initiative and the ASEAN Outlook on Indo-Pacific.
- > Cooperation on common areas of interest like combating piracy, etc.
- Explore opportunities in the post COVID world: Upgrade the skilling, improve logistics services and strengthen the transportation infrastructure. Supply Chain Resilience Initiative (SCRI).
- Role of Northeast India: Regional connectivity.
- >> Exploring Cultural Connect: Language, culture, dance, mythology, spirituality and religion, etc.
- Review of FTA: Strengthen rules of origin provisions, work towards removal of non-tariff barriers, etc.





Key Highlights of the 17th Summit

- India announced a contribution of US\$ 1 million to the COVID-19 ASEAN Response Fund.
- Both India and ASEAN welcomed the adoption of the new ASEAN-India Plan of Action for 2021-2025.
- India reiterated its offer of US\$ 1 billion Line of Credit to support ASEAN connectivity for greater physical and digital connectivity between ASEAN and India.
- Both sides also started discussions for determining the scope of review of India-ASEAN free trade agreement (FTA)
 at the earliest.

2.15. SAARC REVIVAL

Why in News?

A meeting of foreign ministers from the South Asian Association for Regional Cooperation (SAARC) countries was cancelled over the disagreement among the member countries over participation of Afghanistan.

The SAARC saga

- 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,

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.



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.

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.

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. 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: For India to play global role, its regional role is the key pillar. To make the 21st century as the Asian century, South Asia shouldn't remain fragmented.

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.

 Setup a mechanism for informal discussions, formal mediation and resolution mechanisms tailored to the region's specific needs and problems

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.
- 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 ecommerce and enhancing tourism were crucial to such a road map.
- **Expediting subregional cooperation projects** like BBIN Motor Vehicles Agreement (MVA) would help in continuing cooperation, boosting trust among members.

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.
- South Asia Seas Programme (SASP) 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 aims 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) for regulation of passenger, personnel and cargo vehicular traffic between the four BBIN countries.

2.16. BRICS

Why in news?

The 2020 BRICS Summit was held virtually.

Key Takeaways of the summit

Moscow Declaration was adopted which reflects the five countries' consolidated approach to the further development of the association. Two pillars of this year's summit are the economy and counterterrorism:

- **Strategy for BRICS Economic Partnership 2020-2025 was signed:** It focussed on three priority areas trade, investment and finance; digital economy; and sustainable development.
- The BRICS counter-terrorism strategy: This includes improving intelligence sharing, cracking down on their sources of finance and preventing the spread of terrorism.
- Other highlights:
 - Proposals to set up a BRICS Integrated Early Warning System for future outbreaks of infectious diseases.
 - BRICS countries also highlighted the urgency of agreeing on an extension of the 2010 Russia-U.S.
 Treaty on Measures for the Further Reduction and Limitation of Strategic Offensive Arms without delay,



Countries reiterated the need for a comprehensive global governance model based on reviewing the UN and its Security Council, IMF and WTO mechanisms. Also, for the first time the group called for reforms of the World Health Organisation (WHO).

About BRICS



- BRICS started in 2001 as BRIC, an acronym coined by Goldman Sachs for Brazil, Russia, India, and China.
- South Africa was added in 2010.
- Aim: to promote peace, security, development and cooperation in the world.
- BRICS Nations account for 43% of World population and around 23% of world GDP.

Achievements of BRICS

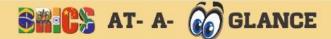
- New Development Bank (NDB): It was created in the on the lines of Asian Development Bank and the World Bank.
- Setting up the Contingent Reserve Arrangement (CRA): to provide mutual financial support, and as a contribution to the global financial safety net.
- Medical cooperation: Ufa Declaration was adopted in the 7th summit in 2015
- BRICS Science, Technology and Innovation (STI) Framework Programme in 2015 facilitated a common response to COVID-19.
- Expanding trade: Over the past five years, intra-BRICS exports grew by 45%.

Significance of BRICS for India

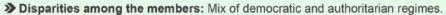




- Safe space to modulate rivalry: During the Doklam standoff of 2017 and the recent Ladakh standoff, both China and India remained engaged through BRICS.
- > Providing a transcontinental reach: With the presence of Brazil and South Africa.
- Boosting India's demand for institutional reforms such as UNSC, WTO, etc.
- > Contribution in creating an inclusive international financial architecture.
- Voice against terrorism.
- Import dependency: Thirty-four per cent of India's total imports are from the other four BRICS nations.
- Achieving SDG goals to eradicate hunger and poverty: BRICS Agricultural Research Platform has been created to promote cooperation in agricultural research and innovations."



Challenges faced by the grouping





- Suspicions among members about Chinese regional and global ambition may impact group's functioning in future.
- Approach towards institutional reforms: BRICS is interested in selective reform of the UNSC
- > Dependency on other global institutions: like G20
- Changing world order: such as if US-China rivalry intensifies it raises the prospects of an 'internal split.'
- Lack of capital: More investment, more capital is needed in the NDB.
- Low Intra-country trade: Imports and exports among BRICS nations are low.

Way Ahead

- > The future of BRICS will depend on how much the leaders have agreed to stand collectively
- The BRICS nations need to move towards a bottom-up approach to increasing private sector and citizen involvement.
- COVID-19 pandemic provides an opportunity for the group to accelerate the establishment of the BRICS vaccine research and development centre as agreed in 2018.





2.17. G20

Why in News?

15th G2o Summit convened by Saudi Arabia in virtual format.

About G20 (Group of Twenty)

- More than 80% of world GDP, 75% of global trade and 60% of the population.
- > Objectives:
- > Policy coordination.
 - > Promote financial regulations.
 - > Create a new international financial architecture.
 - G20 has two working tracks, Finance Track focussing on global economic and financial issues and Sherpa Track focussing on broader issues such as political engagement, anti-corruption etc.

Importance of G20

- >> Representative group: Including developed and emerging countries.
- Support growth and development: Policy coherence, analysis and practical tools to developing and low-income countries.
- Other issues it addresses: Sustainable Development, climate change, global health, anti-terrorism, etc.

Achievements of G20

- > Emergency funding during the 2008 global financial crisis.
- > Taxation related reforms: G20/OECD Base Erosion and Profit Shifting (BEPS) project.
- > Improving the quality of financial regulatory bodies
- > Increasing the lending capacity of the International Monetary Fund (IMF).
- Support economies and supply chains in the region in COVID-19, committed to pump more than \$5 trillion into the global economy.
- Critical role in the ratification of the Trade Facilitation Agreement of WTO.

India and G20





- India has been a founding member of G20
- Some of the proposals that India made in the previous G20 summits:
- International action on terrorism.
- > Dealing with the economic offenders.
- Global Taxation: Base Erosion and Profit Sharing (BEPS) framework.
- Dealing with issues arising from New Digital Technologies.

G20 AT- A- 👸 GLANCE

Challenges



Way Forward



- G20 lacks an objective framework through which to set goals and measure progress.
- Country assuming presidency likes to add some issues from their own perspective. E.g.: Japan including ageing and society 5.0, etc.
- The exclusivity of its membership has attracted criticism: Disproportionate nonrepresentation of African countries.
- Implementation issues due to weakened authority.

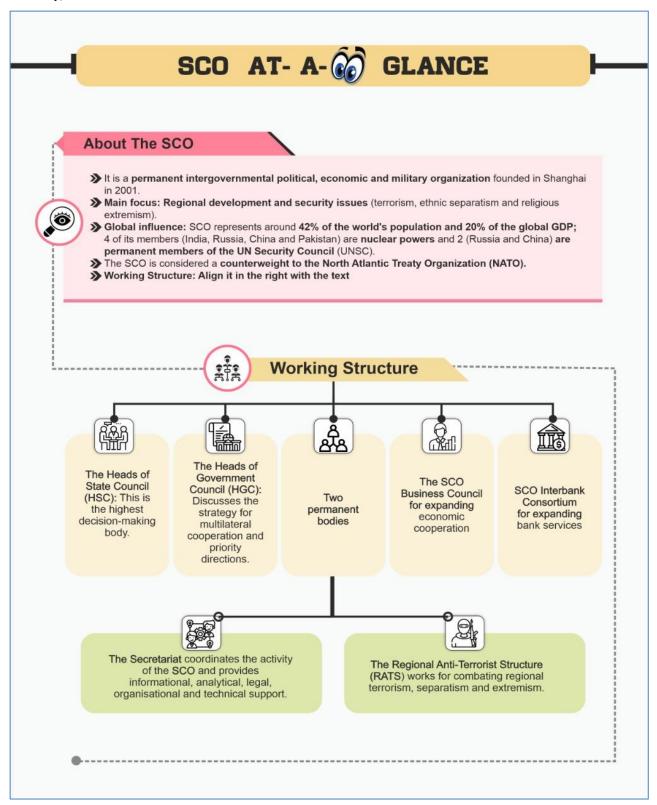
- Continuity of issues taken up across presidencies.
- Provide the vision to bind all the countries especially the emerging markets.
- Strengthen its ties with the UN in promoting development.
- Also focus on infrastructure and food security.
- Post COVID, critical role to build robust global supply chains.



2.18. SHANGHAI COOPERATION ORGANIZATION (SCO)

Why in News?

Recently, 20th Summit of SCO Council of Heads of State was held.









Relevance of the SCO for India

- ➤ Controlling regional terrorism: SCO's defense-centric structures and activities of RATS have achieved considerable successes in curbing regional terrorism.
- >> Participant in the political dynamics of Afghanistan.
- ▶ Political: At annual summit of the SCO, India gets opportunity to renew bilateral ties with regional countries.
- ➤ Economic: CAR is rich in iron-ore, coal, oil, gas, uranium etc.

 Frequent meeting of leaders and the India-Central Asia Business

 Council under the SCO would give fillip to the economic cooperation.
- Regional Connectivity: India's pending energy projects like the TAPI (Turkmenistan-Afghanistan-Pakistan-India) pipeline, IPI (Iran-Pakistan-India) pipeline, and CASA (Central Asia-South Asia)-1000 electricity transmission projects all of which are blocked due to Pakistan may get a much-needed push through the SCO.

SCO AT- A- GLANCE



Challenges

- ➤ Dominance of China: Barring India, the Belt and Road Initiative (BRI) has been endorsed by all the
- Russia-Pakistan-China axis: Growing closeness of Russia and China adds to the difficulties that India faces due to China-Pakistan axis in the SCO.
- Lack of connectivity with Central Asia and beyond: A major impediment in connectivity with Central Asia and Eurasia remains the strategic denial of direct land connectivity between India and Afghanistan and beyond by Pakistan.



Way ahead for India

- Maintaining strategic autonomy: India should retain its independent voice against China's dominance.
- Revitalise connectivity projects: The opening of Chabahar port and entry into Ashgabat agreement should be utilized for a stronger presence in Eurasia.
- Constructively engage Pakistan: India should mobilize opinion in the SCO to ensure its connectivity projects to extended neighbors are unblocked by Pakistan.
- Play a constructive role in CAR: India could play a role in de-radicalisation of youths in Central Asia and leverage its soft power.

Related News

19th meeting of SCO was held under India's chairmanship for the first time since it gained full membership of SCO in 2017.

Key highlights

members.

- o India called upon SCO member states to enforce internationally-recognised legal statutes to comprehensively eradicate safe havens, infrastructure and financial networks supporting terrorism.
- SCO members stressed the need to reform WTO, including by improving its key functions such as negotiations, monitoring and dispute resolution.
- o India refused to support China's Belt and Road project which was backed by all other members.
- Approved action plan for implementation of the program of multilateral trade and economic cooperation for 2021-2025.

2.19. INDIA AND THE QUAD

Why in News?

Recently, first ever in-person meeting of the Quad was held.



About Quad

Quadrilateral Security Dialogue informal (Quad) is an association of India, the United States, Australia, and Japan. The group met for the first time in 2007 on the sidelines of the Association of Southeast Asian Nations (ASEAN).



- Its origin can be traced back
 - to the evolution of Exercise Malabar and the 2004 Tsunami when India conducted relief and rescue operations for itself and neighboring countries and was later joined by the US, Japan and Australia.
- Set up to counter the growing might of China economically and militarily, this version eventually dissipated in 2008.
 - India was particularly sensitive to China's reaction at the time given its desire for a Nuclear Suppliers' Group waiver. Also, there have been doubts about the utility of a quadrilateral since India already has trilaterals with Japan and the U.S., and Australia and Japan.
- In 2017, faced again with the rising threat of China, the four countries revived the Quad. Quad 2.0 is the outcome of substantial groundwork over the 2017-2021 period.
 - The core objective of the Quad is to secure a rules-based global order, freedom of navigation and a liberal trading system.
 - It is considered an alliance of maritime democracies, and the forum is maintained by meetings, semiregular summits, information exchanges and military drills of all the member countries.

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.
 - India is working with Quad partners to offer alternatives to China's Belt and Road Initiative, a project that undermines India's territorial sovereignty and regional primacy.
- Rising importance of Indo-Pacific: QUAD provides India with a powerful platform to advance East Asia's interests and further strengthen its Act East policy.
 - Also, it promotes inclusivity in the region by participating in various forums like Asia Africa Growth Corridor, Indian Ocean Commission etc.
- Evolving Foreign policy strategy: Aligning with likeminded countries without making a formal alliance or discounting its relationship with countries outside Quad is a hallmark of India's evolving foreign policy strategy.
- 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

limitations pertaining to finances, naval capacity, military reconnaissance, and technological and surveillance capabilities.

Additional collaboration on emerging threats in the cyber, space and maritime domains to enhance surveillance and deterrence. All four states have been the subject of extensive and persistent cyberattacks emanating from nation-state-supported institutions, notably from China.

Challenges for Quad

- Implication on India's other bilateral/multilateral engagements: Recently, China argued that by moving closer to the US and the US-led Quad in recent years India has worsened India-China and India-Russia relations and halted progress in the development of BRICS and Shanghai Cooperation Organisation.
- Unclear objectives: Such ambiguity does not project a good signal because many political observers are simply viewing it as an anti-China alliance, which undermines its potential in other essential areas such as climate change issues and vaccine diplomacy.

China's new maritime law comes into force

- As per this law, foreign vessels will have to submit details to Chinese authorities when transiting through its 'territorial waters'.
 - This claim is contested by its neighbours in the region and by US.
 - The waters around China are hotly contested. **Under a "nine-dash** map, China claims most of the South China Sea (SCS) as its sovereign territory.



Unresolved issues

- Countering COVID and a Vaccine initiative: India's proposal at the WTO still blocked, and India has blocked giving indemnity to US vaccines.
- Climate Change issues: India has worked with Quad countries on the Solar Alliance, Paris Accord etc., but has not yet signed on to Net Zero and ending coal deadline.
- Critical Technologies and Resilient Supply Chains: While India is keen on alternate building supply chains especially on technologies with partners keen to end dependence on China, it is not part of the Osaka track, that includes other Quad countries, when it comes to cross border data flows.
- Conflicting signals from US: Even as the agenda for the Quad meeting is being evolved, the US announced a new trilateral defence partnership with Australia and the UK (AUKUS) leaving friends and allies mystified.
- Divergence on acceptable risks and costs: This divergence in threat perceptions is based on a range of factors, including the existence or absence of direct territorial disputes with China, perceptions of the potential risks of retaliation by Beijing, other

SIGNIFICANCE OF QUAD



Japan

- > Japan depends heavily on open sea lanes for its trade with the world.
- China's assertion of its sovereignty in the South China Sea, as well as Chinese provocations towards islands China and Japan both claim in the East China Sea, has made Japan wary of China's military build-up.



Australia

- China's rapid rise is changing the calculus for Australia in Indo-Pacific and it has relied on US to play the role of external balancer in the region.
- Quad complements Australia's other bilateral, regional and multilateral cooperation, including with ASEAN.



- Indo-Pacific is important to U.S. maritime interests. In 2019, \$1.9 trillion worth of U.S. trade passed through the region.
- China's growing willingness to challenge the regional status quo worries U.S.
- higher order national priorities and threats, and finally the limitations of each nation's strategic culture.
- 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.

Way forward

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- Collective action: Collective security among the Quad nations has to be worked to safeguard the member nations' freedom and security. Quad grouping with a combined pre-pandemic GDP of USD 30 trillion and a combined defence budget of USD 800 billion can counter China easily.
- **Need for clear vision:** Quad nations need to explain the Indo-Pacific Vision in an overarching framework to advance everyone's economic and security interests. This will reassure the littoral States that the presence of QUAD benefits the region.
- Expanding the Quad: India has many other partners in the Indo-Pacific. Therefore, India should pitch for countries like Indonesia, Singapore to be invited to join the Quad in the future.
- Need for a Maritime Doctrine: India should develop a comprehensive vision on the Indo-Pacific, which would ideate on the current and future maritime challenges, consolidate its military and non-military tools; and, engage its strategic partners.





KEY HIGHLIGHTS OF THE QUAD SUMMIT



COVID and Global Health

- Quad countries have pledged to donate more than 1.2 billion vaccine doses globally, in addition to the doses Quad financed through COVAX.
- Quad welcomed India's announcement to resume exports of safe and effective COVID-19 vaccines, including to COVAX, beginning in October 2021.
- Build Back Better Health Security in the Indo-Pacific by conducting at least one pandemic preparedness tabletop or exercise in 2022.
- ► 100-Day Mission to have safe and effective vaccines, therapeutics, and diagnostics available within 100 days.



Infrastructure

- Building on the G7's announcement of Build Back Better World (B3W).
- Quad Infrastructure Coordination Group to share assessments of regional infrastructure needs and coordinate respective approaches to deliver transparent, high-standards infrastructure.



Climate

- Quad partners will launch a **Quad Shipping Taskforce** and will invite leading ports to form a network dedicated **to greening and decarbonizing the shipping value chain**.
- Quad Shipping Task Force aims to establish two to three Quad low-emission or zero-emission shipping corridors by 2030.
- Quad will announce a clean-hydrogen partnership to strengthen and reduce costs across all elements of the clean-hydrogen value chain, leveraging existing bilateral and multilateral hydrogen initiatives in other fora.
- Quad countries will convene a Climate & Information Services Task Force and build a new technical facility through the Coalition for Disaster Resilient Infrastructure that will provide technical assistance in small island developing states.

C

Critical and Emerging Technologies

- Quad will launch a statement of principles on technology design, development, governance, and use that will act as a guide towards responsible, open, high-standards innovation.
- Quad partners will launch a joint initiative to map capacity, identify vulnerabilities, and bolster supply-chain security for semiconductors and their vital components.
- Support 5G Deployment and Diversification and monitor biotechnology scanning.



Others

- Launch of Quad Fellowship: a first-of-its-kind scholarship program (with focus on STEM), operated and administered by a philanthropic initiative and in consultation with a non-governmental task force comprised of leaders from each Quad country.
- Quad will start discussions to exchange Earth observation satellite data and analysis on climate-change risks and the sustainable use of oceans and marine resources.
- Quad will launch a senior cyber group for implementation of shared cyber standards;
 development of secure software; building workforce and talent.

2.20. INDIA'S ECONOMIC DIPLOMACY IN SOUTH ASIA

Why in news?

Globally, it is considered that India has a troubling habit of over-promising and under-delivering from trade to infrastructure development in South Asia.



Economic Diplomacy

- Economic diplomacy is the art of serving economic security and strategic interests of the country by the use of economic instrument in conduct of State-to-State relations.
- The Indian classic on diplomacy, namely, Kautilya's "Artha Shastra" has recognized the relevance of "Saam, Daam, Dand and Bhed" in conduct of diplomacy.
- It is designed to influence policy and regulatory decisions of foreign governments as well as those of international organizations.

Success of India's Economic Diplomacy in South Asia

- Infrastructure: India is committed to support neighbouring countries in its journey to emerge as a united, sovereign, democratic, peaceful, stable, prosperous and inclusive nation.
 - For example, reconstruction of the Salma dam (Afghan-India Friendship Dam),
 - **Zaranj-Delaram road** give access to **Afghanistan's Garland Highway,** construction of the 900-megawatt (MW) Arun III hydropower project in Nepal etc.



- **Neighbourhood first policy:** It is part of India's foreign policy which aims at promotion of regional peace, economic integration and developing a regional strategy based on India's natural geographical advantages, improves cross border connectivity, shared cultural heritage, and preeminent strategic position. This policy also helps in reduction of the influence of China in the South-Asian countries.
- Investment: Assistance in material and services has been extended by India to South Asian countries time and again. With its aspiration for global leadership, India has established COVID- 19 emergency fund for SAARC countries.
- Energy: Energy cooperation is a main focus of the **South Asia Sub-regional Economic Cooperation (SASEC)** program.
 - For example, India recently approved plans to invest \$1.69 billion to build transmission and distribution lines to carry electricity from Nepal.
 - The Rooppur Nuclear power project is an initiative under India and Russia to undertake atomic energy projects in Bangladesh.
- **Tourism:** South Asia has emerged as an attractive tourist destination due to its natural and cultural diversity, and price competitiveness. Tourist from the neighbourhood comprise approximately a third of the total foreign tourist arrivals in India.
 - In 2019, the **World Economic Forum's Travel and Tourism Competitiveness Index (TTCI)** ranked South Asia as the most improved region since 2017. Within this, **India** has shown the greatest **improvement in rank** among the top 25% countries, from 40th in 2017 to 34th in 2019.

Issues with India's Economic Diplomacy in South Asia

- Trade: India has Trade Imbalance with South Asian countries and is reflected as:
 - o **Intra-regional trade**: South Asia's intra-regional trade is the lowest globally, constituting only 5% of the region's total trade. The current integration is just one-third of its potential with an annual estimated gap of \$23 billion.
 - o **Protectionism:** According to global trade data, trade restrictiveness index is 2 to 9 times higher for imports from South Asia than rest of the world in case of India, Nepal, Sri Lanka and Pakistan
 - o **Disproportionate cost of trade**-The South Asian regional trading cost is 20% higher than ASEAN.
- Infrastructure: In most of the countries India has taken up projects such as road and railway lines, establishing integrated border checkpoints, and hydropower projects but there is witnessed delivery deficit in these projects.
 - o For example, In Nepal, the Police Academy, expected to be complete 32 years ago, is still in limbo.



- o Integrated Check Posts have suffered under cumbersome procedures, like **delays in paperwork** that
 - consume both time and profits and hampers the prospects of projects like Bhutan-India-Nepal Motor Vehicles Agreement (BBIN-MVA), Turkmenistan, Afghanistan, Pakistan and India (TAPI) gas pipeline etc.
- Discrimination in Aid: India has shown extraordinary generosity toward the Maldives, Nepal, Bhutan, and Afghanistan leading to insecurity among other neighbors.
 - For instance, in the 2019 budget, Bhutan received 28.1 billion rupees but Sri Lanka got only 2.5 billion rupees. Sri Lanka sees this as discrimination in aid, feeling India offers more to those strategically more essential.
- Policies related to migration: Policies like The Citizenship (Amendment) Act, National Register of Citizens put forth protectionist approach which is insensitive to the realities of identity and migration in the subcontinent.
- Institutional hurdles: Dysfunctional reputation of institutions such as SAARC (South Asian Association for Regional Cooperation) is a result of not only short-sighted economic policies and the contentious India-Pakistan relationship, but also of the deep mistrust in key bilateral relationships. The mistrust defining these relationships has stammed from
- **Connectivity Projects in South-Asia** TRANS-AFGHANISTAN PIPELINE TURKMENISTAN CHINA TAJIKISTAN IRAN AFGHANISTAN Islamabac PAKISTAN TAPI PIPELINE Dera Ghazi Khan INDIA urce: Asian Development Banl **BANGLADESH-BHUTAN-INDIA-NEPAL CORRIDOR** BHUTAN Thimphu Bamthan Monga Siliguri BANGLADESH

defining these relationships has stemmed from complex domestic politics.

- Energy: South Asia has witnessed a growing imbalance between energy demand and its supply from indigenous sources resulting in increased import dependence.
- **China Factor:** China has been **increasing its investments** in South Asia due to India's neglect over the years.
 - China has extensively made inroads into the South Asian region through **Belt and Road Initiative (BRI)** which has emerged as the most crucial instrument in China's soft power diplomacy in South Asia.
 - China is completing the East-West highway that traverses Nepal and is also working on a railway line from Tibet to Lhasa. It has many projects underway in Bangladesh, Sri Lanka and Afghanistan as well.

Way Forward

- **Energy Security:** The countries in the South-Asian region could benefit significantly by **strengthening the mechanism of energy trade** through improved connectivity.
- Regional Infrastructure: A stronger connectivity not only strengthens the intra- and inter- regional trade but also generates higher income and prosperity and hence regional infrastructure must be prioritised.
- **Strengthening Institutions:** Reforming the institutional hurdles is necessary if India desires to overcome its neighbors' misperceptions and compete with Chinese investments in South Asia.
 - o For this, India must **eliminate non-tariff barriers and other trade barriers**, strings-attached aid, and complete all the existing projects to regain the neighbors' trust.
- Trade and Investment: India must increase its investments and trade with neighboring countries to reap the benefits of greater regional and economic integration, making India open rather than being closed to its neighbors' economies.
- **Use of improved technology** to **reduce trade costs** through higher efficiency and by managing additional traffic.



2.20.1. SOUTH ASIA ENERGY SECURITY

Why in news?

High-level group to help build a South Asia-focused energy security architecture, named the South Asia Group for Energy (SAGE), has been set up under the Ministry of External Affairs (MEA).

Need for Energy cooperation in South Asian Region

- Mismatch between energy demand and resource endowments among the South Asian Countries (SAC).
 - For instance, India, Pakistan and Bangladesh account for the major share of natural gas and coal resources in the region. However, these countries are also large in terms of area as well as population increasing the resource demand.
 - Bhutan and Nepal, on the other hand, have hydropower potential in excess of their demand for electricity over the foreseeable future and offer the best prospects for intra-regional electricity export.
- Leverage economies of scale in energy procurement: Regional energy transfer, will increase countries' access to energy resources (from outside the region) and leverage economies of scale thereby augmenting the energy supply.
 - The World Bank estimates that regional cooperation and engagement will yield energy savings of about \$17 billion in capital cost reductions through 2045.
- Lack of access to clean energy: A large section of the population, particularly in rural areas lacks access to electricity and relies on the traditional use of biomass for cooking.
 - All SACs have significant potential for new renewable power (solar, wind and biomass). But, management of intermittent supply can best be done through connected regional infrastructure.

About SAGE

- It is a **consortium of energy-sector experts partnering with South Asian governments** to enable sustainable energy development in the South Asia region.
- Its objective is to:
 - implement research and analysis focused on energy sector opportunities throughout South Asia.
 - equip USAID partner governments with critical information to enable strategic investments.
 - contribute towards achieving the goals of Asia Enhancing Growth and Development through Energy (Asia EDGE), a United States Government initiative to support the growth of sustainable and secure energy markets across the Indo-Pacific.

South Asian Region

- South Asia, subregion of Asia, comprises countries lying between the Himalaya range and the Indian Ocean (north to south) and between the Ganga and Indus river valleys (east to west): mainly, Nepal, Bangladesh, Sri Lanka, Bhutan, India, Afghanistan, Myanmar, Maldives, and Pakistan.
- It is the home to a quarter of the world's population, and is a major energy consumer. According to the US Energy Information Administration, the region's primary energy consumption increased by 58 per between 1991 and 2000, and is expected to increase by another 40 per cent in the next three decades.
- Meeting the projected demand, requires international and regional cooperation on technological and, infrastructure development and trade in energy resources.



India's Energy Cooperation with other SACs

• India is the largest consumer of primary energy in the region and in the last seven years, India's renewed enthusiasm for regional energy cooperation in South Asia has led to concrete progress on multiple cross-border energy projects.



India and Bhutan:

- India has provided technical and financial assistance to Bhutan in the development of hydro power. Bhutan exports about 1,000-1,200 megawatts (MW) surplus power to India. The first ever Clean Development Mechanism (CDM) benefits were realized by India-Bhutan hydro trade in 2010.
- India and Bangladesh: have signed a memorandum of understanding (MoU) under which 100 MW power will be exported to Bangladesh.
- India and Nepal: Four hydroelectric schemes with an aggregated installed capacity of about 50 MW have been implemented in Nepal with assistance from India.
 - The two countries have also signed an agreement under which a 900 MW plant will be built on the Arun River.

Multi-lateral energy co-operations in south asia		
ORG	WORK IN ENERGY CO-OP	
SAARC 1985	-SAARC Energy centre 2006 at Islamabad	
SASEC 2001	-Regional co-operation in Energy along with transport and trade facilitation	
BIMSTEC 1997	-Energy (along with trade, technology, transport & tourism) is an important area of co-operaton, -1st BIMSTEC Energy Ministers Conference, 2005 to setup BIMSTEC Energy cetre in India.	

• **LNG:** A large LNG facility on the Bay of Bengal coast is underway with participation by India, Bangladesh and possibly Nepal. New LNG terminals at Haldia and Dhamra are being developed.

'Members' column should be removed from the Multilateral Energy Co-op box.

Major Opportunities for India

- Water management: Presently, Nepal's hydropower potential is of 60GW, of which, only 2% is being used. Co-development via storage dams will enhance Nepal's electricity supply and income and revenue from the export of power. India being one of the importing countries will benefit in various ways.
 - For instance, the proposed Sapta-Kosi and Sun-Kosi projects on the Kosi river, will generate hydropower, prevent frequent floods in India (in the lower riparian areas of Uttar Pradesh and Bihar), provide irrigation and drinking water in both countries, enable in-land navigation channel with direct sea-port connectivity from Nepal to Kolkata, and generate large spinoffs in livelihoods in both countries.
- Increasing share of LNG in primary energy mix: India proposes to expand the share of natural gas in its primary energy profile from 6% to 15%. A trilateral partnership between Bangladesh, India, and Nepal to develop shared pipelines, terminals, and gas storage facilities can enhance the economic viability of these investments and move the region towards a net-zero pathway.
- Enhancing the share of renewable electricity: Sri Lanka currently relies on imported fossil fuels and domestic hydropower and plans to generate 100% electricity through renewables by 2050. This provides an investment opportunity to develop utility-scale wind and solar for the Indian private sector.
 - For instance, developing the missing transmission link between India and North West Sri Lanka having abundant wind power can complement Indian solar power.

Existing gaps in South Asia's energy cooperation

Pakistan, it is not considered a fuel of the future due to its pollutant effects and negative impacts on society through mining-induced displacement of vulnerable communities. On the other hand, while gas is comparatively a cleaner hydrocarbon, supplies are depleting in Pakistan and Bangladesh.

Regional projects under consideration

- TAPI pipeline: aims to transfer gas from Turkmenistan's Galkynysh field through Afghanistan to Pakistan and then into India. While the project was initially expected to be completed in 2019, construction of the pipeline has not yet started, and efforts are underway to attract funding.
- Bangladesh-Bhutan-India-Nepal (BBIN) Joint Working Groups (JWGs): aim to collectively harness the hydroelectric potential of the Ganges-Brahamaputra-Meghna (GBM) basin that is shared by the four countries. So far, four meetings of the JWGs have taken place, and various issues related to hydropower and water resources have been discussed.

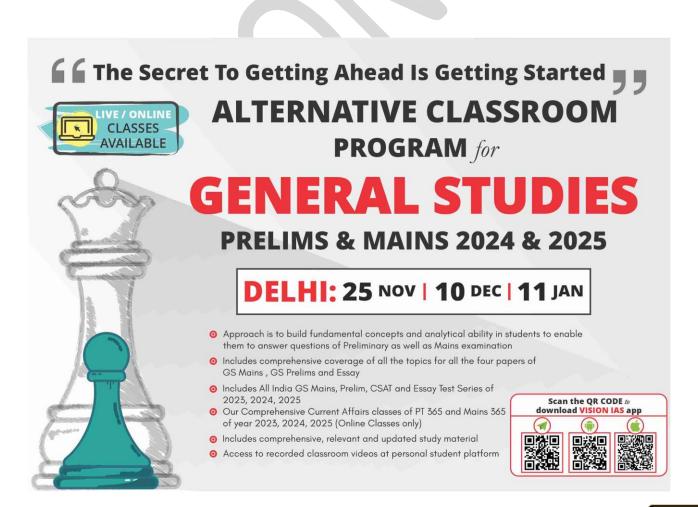


- Mobilising financial resources to develop the necessary energy infrastructure. One of the major reasons for this is state-centred approach towards energy security that it is primarily based on government to government interactions and the use of public sector enterprises.
- **Lack of diversification of fuel basket:** There is an overarching dominance of a single fuel in the energy mix across all SAARC nations. India, for instance, is heavily dependent on coal. Bangladesh and Pakistan on gas, and Bhutan and Nepal are predominantly hydro- based energy generators. Such over reliance on a single fuel source leaves countries vulnerable to disruptions caused by market and technological failure as well as sabotage.
- Limited focus on Renewable Energy: Despite abundant renewable sources available across the region, they have not been efficiently tapped. Afghanistan for instance has abundant renewable resources which, if exploited fully, could help reduce supply gaps.
- Slow progress on regional and multilateral projects: Despite recent progress in negotiations, no construction has yet taken place and doubts have been raised about the completion of the project. Proposals to undertake multilateral cooperation on harnessing the hydropower potential of the GBM basin have existed for decades but these projects remain in the discussion stage.
 - Overarching political differences between the SAARC member countries is one of the major issues for regional energy cooperation efforts remaining less successful.

Conclusion

South Asian nations need to see the comparative advantages they hold in various energy sectors, and must come together to benefit each other via trade links.

India must lead by facilitating financing, developing harmonised technical regulations, deepening professional networks, and enhancing regional business opportunities. Greater cooperation in providing decentralised energy solutions to neighbouring countries will also contribute towards peace and development in the region.



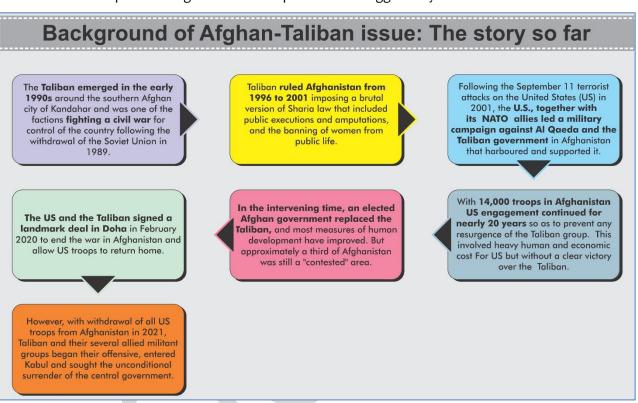


3. EFFECT OF POLICIES AND POLITICS OF DEVELOPED AND DEVELOPING COUNTRIES ON INDIA'S INTERESTS

3.1. TALIBAN CONTROL OVER AFGHANISTAN

Why in news?

Taliban have seized power in Afghanistan and captured Kabul triggered by the U.S. withdrawal.



Key developments after Taliban takeover

- India conducted Operation Devi Shakti to evacuate more than 800 people including its citizens and Afghan partners from Afghanistan.
- Ministry of External Affairs of Government of India held meeting with Taliban in Doha, focused on safety, security and early return of Indian nationals stranded in Afghanistan, and the travel of Afghan nationals, especially minorities, to India.
- The **UN Security Council adopted a resolution** condemning deadly attacks in Afghanistan and requiring the Taliban to honour their commitment to let people freely leave Afghanistan and raised calls for combating terrorism and upholding human rights.
- The **US** has frozen nearly \$9.5 billion in assets belonging to the Afghan central bank and stopped shipments of cash to the nation.

Concerns related to takeover of Afghanistan by Taliban for India

- Limitations of India's existing approach: India has always supported "an Afghan-led, Afghan-owned and Afghan-controlled" process for enduring peace and reconciliation in Afghanistan. It involved active engagement with the elected Afghan Government and isolation of the Taliban regime.
- Revival of terrorism: India faces threat from terrorist factions such as the Haqqani group, which is among the United Nations' designated entities as a terror group and is a key member of the Taliban. It is known for engineering and carrying out attacks against Indian assets, including the Indian embassy in Kabul.
 - Also, political instability in Afghanistan can lead to resurgence of other terror groups, such as the al Qaeda and the Islamic State (IS).



• Threat to financial and strategic investments: Over the past years, India has invested an estimated \$3

- billion in projects (see infographic) across Afghanistan and has engaged in other soft power tactics strengthen friendship and goodwill between nations. Taliban takeover not only poses a security threat to India's assets, but also lays waste to India's efforts.
- Increasing influence of China and Pakistan: The nexus between the Taliban and the Inter-Services Intelligence of Pakistan raises concerns about Pakistan's increasing influence within the country. Also, absence of U.S. financial and military aid opens up



Indian investments in Afghanistan

Assistance in constructing, upgrading, rebuilding or restoring buildings and various types of infrastructure. Examples-

- Building of Afghanistan's Parliament in Kabul.
- Reconstruction of the Salma dam, now known as the Afghan-India Friendship Dam.
- Establishment of an electricity transmission line from Pul-e-Khumri to Kabul.
- · Construction of Zaranj-Delaram road.
- High Impact Community Development Project (HICDP) program to finance medium scale projects in areas such as education, health, water management, government buildings, sport facilities, agriculture and irrigation, etc.



Transfer of various objects like ambulances, buses, biscuits, medicine, military vehicles and helicopters, etc. Examples-

- Mi-25 and Mi-35 choppers for the air force.
- · Airbus aircraft for the national airlines.
- · Materials for substations and a transmission line in the Faryab province.
- Military vehicles for the Afghan National Army.
- Ambulances for public hospitals.



People-to-people exchanges in the form of offers for Afghan citizens to gain knowledge and experience from India. Examples-

- Providing Indian technical advisers to Afghan institutions
- Offering scholarships for Afghan students.
- Organizing training for Afghan soldiers, policemen and public servants.
- avenues for China to gain influence over the nation.
- Perpetual Regional instability: The Taliban has no single Afghan identity, and it is heavily dependent on various factions representing different regions, tribes and interests. Thus, internal strife may create a perpetual instability post the takeover, which has security (rise in terrorism, illicit drug trade etc.) as well as economic (impact on bilateral and regional trade etc.) implications for India.
- **Human rights violation:** The rule of Taliban may be accompanied by erosion in women's and minority rights and the overturning of a democratic system which stands a concern for India.

Policy Options available with India

Given all these concerns, India has following options, none of which are easy, nor without repercussions:

Option	Pros	Cons
Backing only a democratically elected government in Kabul.	 Government aligned with Indian interests and accumulated goodwill if Taliban rule fails. Clarifying India's stance on possible Humanitarian issues associated with Taliban led rule. Political stability in the region. 	 Deterioration of India-Afghan relations if Taliban establishes lasting rule in Afghanistan, with India being left behind countries like China and Pakistan who are already engaged in talks with the Taliban. Possibility of Hostile actions against India including terrorist threats.
Accelerate contacts with the Taliban.	 Ensuring India's participation in intra Afghan dialogue and negotiations. Platform to convey India's concerns regarding terrorism, well being of minorities, etc. 	 Hurdles can be posed by Anti-Indian factions present in the Taliban. Political Opposition within India.
Wait and watch, until the chaos of conflict reveals a winning side, and weigh its options accordingly.	Balanced approach that provides India enough time and knowledge to take strategically secure decisions.	Denies India relevance at the "high table" where Afghanistan's future is being discussed.

Way Forward

- **Establishing informal links with the Taliban government**: It would put New Delhi in a stronger position to ensure that its assets and investments in Afghanistan aren't imperiled.
- **Developmental and Humanitarian aid:** Given the continued levels of violence and the impact of the coronavirus on the Afghan economy, India should expand its development assistance.



- Working With and Through Others: India should look to broaden its engagements with Iran and Russia, explore opportunities for cooperation with China, and find common ground with the United States on Afghanistan's future.
 - Such engagements should include investing in a wider diplomatic initiative with the view to carve out areas of convergence.

Conclusion

India needs a long-term strategic approach towards Afghanistan that weaves political, economic, military and diplomatic dimensions into a coherent whole within the framework of a grand strategy. India's Afghan policy must be based on a clear-cut understanding of India's strategic goals in

Can Taliban achieve international recognition?

- During the last period of Taliban rule, only a handful of countries such as Pakistan recognized their government.
- But their control is more widespread now, and foreign officials have been dealing with Taliban representatives for some time. Several factors that will determine whether Taliban can gain international recognition include-
 - Formation of a more inclusive leadership representing women and the country's ethnic and religious minorities.
 - Respect for international commitments and basic rules of democracy and rule of law.
 - Prevention of international terrorist groups from using Afghanistan as a base.

the region, and the regional and global strategic environment.

3.2. NEW OIL DEAL BY OPEC+

Why in News?

After a brief impasse between UAE and Saudi Arabia, the OPEC+ nations finally reached an agreement over oil production level for its member nations.

Crude Oil Prices and OPEC+ nations

- Crude Oil is a prominent global commodity with skewed global distribution, exposing oil prices not just to economic demand and supply but to geopolitical events as well.
- With 80% of the world's proven oil reserves, 40% of global crude oil production and 60% of international trade, OPEC is the biggest grouping to influence oil prices.
- In 2016, due to fall in crude oil prices, 10 non-OPEC oil producing nations signed a Declaration of Cooperation with OPEC to jointly work towards stabilization of oil prices.
- This new grouping is known as OPEC+ or as Vienna Group, uniting two major cartels of crude oil rich nations to influence global oil prices through production adjustments.

Pandemic induced Production Cuts and New Production Agreement

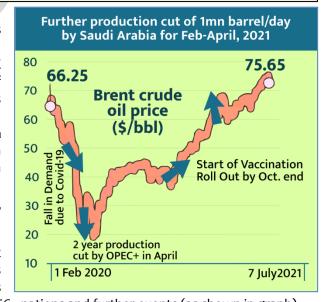
Due to Covid-19 pandemic, the global economic activities went for a crash. The fall in crude oil prices due to reduced demand, led to 10 million barrels
 per day (mb/d) production cut for 2 years from OPEC+ nations and further events (as shown in graph).

About Organization of the Petroleum Exporting Nations (OPEC)

- Created at the Baghdad Conference in 1960, OPEC is a permanent intergovernmental organization of 13 oil-exporting nations with Iran, Iraq, Kuwait, Saudi Arabia and Venezuela as the founding members.
- It coordinates and unifies the petroleum policies of its Member Countries, ensuring the stabilization of oil markets to protect interests of consumers, producers and investors.

OPEC+

- OPEC+, also known as Vienna Group loosely affiliated entity consisting of the OPEC members and major non-OPEC oilexporting nations.
 - Its members include Mexico, Russia, Oman, Uzbekistan etc. along with the members of OPEC.



- Though the prices of crude oil recovered to pre-Covid level by year end, the oil production went for further cut from Saudi Arabia.
- This led to sharper price rise, impacting the **global recovery**, especially the developing and low-income countries.



- Despite global criticism including India, OPEC+ reaction was slow and only after a brief impasse between Saudi Arabia and UAE, OPEC+ reached to a new agreement:
 - Extending April 2020 agreement until the 31st December 2022,
 - Upward production of 0.4 mb/d from August 2021 on monthly basis until phasing out the 5.8 mb/d production adjustment.

How this fluctuation of Oil Prices impacts India?

India is the third biggest oil importer and consumer (expected to become first by 2040 as per IEA energy outlook). Thus, the fluctuations affect India in following ways:

- Rising Import Bill: With 76% of our oil needs met through imports (Rs. 8.43 trillion import bill in 2019-20),
 - every 1 dollar price rise can raise our import bill by **Rs 10,700 crore** on annualized basis.
- Macroeconomic Stability: Domestically, high oil prices lead to high retail fuel prices and inflation level.
- Compromises India's Geostrategic position: OPEC+ nations will have control over all prices at least over next decade or more with slow reactions as difference in worldviews and interests within OPEC members will remain.
 - recently, Saudi Arabia ended preferential tariffs for goods made in free zones (targeted at UAE free zone hub) as well as announced decision to business end doing with any international company whose regional HQ is not within the kingdom by 2024.

Other existing issues in India OPEC relation

- Sanctions on Iran: Various member countries of OPEC along with the US are creating pressure to cut down the imports from Iran, that has raised serious supply concerns
- Depletion of forex: Major trade with OPEC member states is in US dollar or Euro, which reduces the forex reserve of India.
- Asian Premium: Saudi Arabia charges premium; the extra charge being collected by OPEC countries from Asian countries when selling oil.
 - Price charged from Asian countries remained \$1-\$2 dollar higher than that from Europe and the US.
 - India has been voicing its dissent against this practice and it has recently been addressed in the 4th meeting of the OPEC - India Dialogue.

While the new deal may provide a **slow temporary relief** from high prices and inflation, India needs a more comprehensive strategy to handle its present and future energy security.

Way Forward

India's oil demand is forecast to rise from 4.7 million barrels per day in 2019 to 10.7 million bpd by 2045. Protecting India's energy security and economic interests requires not just a reactive approach but a comprehensive energy security approach with focus on preventive steps. This includes reduction of Oil Imports and reduced exposure to OPEC+ production adjustments.

Based on it, India has developed a **five-pronged strategy**, comprising:

- Promotion of Energy Efficiency and Conservation Measures,
- Giving thrust on demand substitution,
- Promoting biofuels and other alternate fuels/renewable,
- Increasing domestic production of oil and gas, and
- Refinery process improvements.

3.3. GEOPOLITICS OF TECHNOLOGY

Why in news?

Global transition to future technologies like Artificial Intelligence, 5G and Big Data among others have started affecting the global geopolitics which can be evidently seen in the global 5G adoption.

What is the relationship between geopolitics and technology?

In the modern parlance, Geopolitics can be roughly understood as interactions and relationship among nation states. The technology development and adoption not only affect the nature of geopolitics but also gets affected by it. For example, Russia's military technological development was largely driven by its susceptibility on its western borders.



Following can be cited as **key geopolitical factors affecting technological** access, adoption and development:

- **Geographical position:** Global geographical positioning plays an important role in determining the technological priorities. For example, due to its harsh geography and scarce water resources, Israel has spent considerable time and resources to develop technologies that conserve, reuse and desalinate water.
- Relative access to resources: Relative access to resources influences the technological development and
 adoption and gives the country a position in the global economy. For example, large scale availability of
 labour puts China at a comparative advantage in labour intensive sectors. Whereas large scale availability
 of capital in US puts it at a comparative advantage for Research and Development.
- **Relationship with other countries:** In the globalized world, technological development happens collectively and not in silos. As a result, relationship among countries enables sharing of technology, thus enabling collective development. For example, a major facet of India-Israel relations is sharing of agricultural technology between them.
- National Priorities and domestic constraints: Nature of policy like regulatory environments, nature of education systems, extent of social acceptance for technology among others also drive the global distribution of technological advancement. For example, tech-driven private sector moves towards nations with conducive environment such as a country having a strong start-up culture.

How can these technological changes potentially alter the geopolitical landscape?

The emerging sectors in which this will be felt directly by consumers include social media for information, financial technologies, e-commerce, e-services affecting mobility and social services, and changes to the sourcing and management of energy. Broadly these technological changes will affect three areas-

- **Security:** New technologies creates new challenges in the realm of Cybersecurity, in emergence of threats like Hybrid Warfare and exploiting vulnerabilities of critical infrastructure like telecommunications. The relative deprivation of these technologies within countries alters the security balance among countries.
 - For instance, US alongside countries like UK and France have been apprehensive of penetration of Huawei technologies in their telecommunication systems citing security and privacy concerns.
- **International Standing:** The extent of technological development influences political standing both directly and indirectly. For instance, Israel despite being a small country, in a volatile neighborhood has considerable global influence due to the technological development in the country.
- **Economic Growth:** Technological development enables higher worker productivity, improved efficiencies, enhanced quality of products and services. Access to technology thus becomes a key variable in relative economic growth and prosperity among countries.
 - For example, **control of data driven technologies** is being seen as key technological variable which will drive the future economic competition among countries.

How the current geopolitics of technology is playing out globally?

The emergence of new technologies is eliciting different reaction from different countries. Broadly these reactions can be divided into two categories:

- **Technologically authoritarian reaction:** Countries that have closed their data markets and restricted the flow of technology- such as China- would come under this category.
- **Technologically democratic reaction:** Countries that are guided by judicial standards, the rule of law, and support the freer but not always free movement of data and technology can be classified under this category.

The interplay between these two types has created political, ideological and economic tensions in the global realm and have generated following geopolitical debates:

- What effect will technology have on future of US-China relationship? The current technological competition within the countries and US's apprehension over threat from rising China has created a tendency of decoupling with regard to technology, talent and investment in these countries. The way this issue moves forward will have large impact on future of technology and associated geopolitics.
- Will internet break into 'splinternet'? As internet governance thickens, the worldwide web could segment into a collection of independent digital ecosystems or "splinternets." This emerging model could be attractive to states and businesses that seek to exert greater market control in cyberspace and exclude foreign competition.



• Is creation of a global regulatory regime possible? Although the current trends point towards a deglobalized and segmented world, but the growth of technology has been fastest when it was accompanied with global coordination. Keeping this idea in mind, it is possible that gradually national and regional regulatory regimes may come together in the near future.

What is India's standing in the current geopolitical scenario and what should it do?

India may not currently have a clear regulatory framework for emerging technologies, but it has a standing in this geopolitical debate by virtue of being the largest open data market in the world. Close to 600 million Indians currently use 4G data. India also has the highest per capita consumption of data (above 10 GB per month) anywhere in the world.

To sustain its standing and exert it's influence in geopolitical debate on technology, India will have to generate sustained technological development. To ensure this, following steps could be taken for better technological regulation:

- **Personal Data Protection Law (PDPL):** Accelerate the enactment of the PDPL as it will provide clarity on cross-border movement of data and regulate use of personal data among others.
- Regulatory clarity on new technologies: India's response on new technologies like Blockchain, Drone technology etc. has been ambivalent, which has hindered their development. Clear approach will pave the way for faster adoption both by Public and Private sector.
- Evolve a clear stand for global stage: Having a clear stance on how technologies like 5G, Blockchain need to be governed lends more credibility to India's position. Also, this stance needs to be consistent with the domestic approach.
- **Tech diplomacy:** The ministry of external affairs created the new, emerging, and strategic technologies (NEST) division in 2020. This idea can be taken further by appointing dedicated **technology ambassadors or technology coordinators**.
- Making technological access a key part of diplomatic relations: Access to technology should be a key feature of bilateral relations in the future especially for a developing country like India which has a large absorptive capacity.

Conclusion

The geopolitical maneuvers can improve global regulation in India's favor and increase access to technology. But this can only be capitalized if it is accompanied with domestic technological development. Efforts could be made on lines of creating entrepreneurial culture, increasing investment in R&D, providing the ecosystem to encourage private sector research and most importantly implementation of education reforms as envisaged by the New Education Policy 2020.

3.3.1. 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)**.

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, intellectual property, privacy, cybercrime, and others.
- Impact on ease of doing business: Regulatory conditions or requirements on transferring data, and data localization policies can force exporters to build or lease data centres in every country of operation. Doing so 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-
 - Data reuse and sharing between government entities can tackle ageing society and public health challenges with more accurate preventive care, mitigating increasing costs.
 - Efficient and open access to data is essential for tracking and enabling the delivery of many UN Sustainable Development Goals.



• 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.

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 ecommerce laws.

About DFFT

- The idea of DFFT was proposed by former Japanese Prime Minister Shinzo Abe at the World Economic Forum 2019.
- 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.

About Osaka Declaration on Digital Economy

- The declaration was signed at the sidelines of the **G20** summit in 2019.
- It announced the launch of the 'Osaka Track', a process that aims to intensify efforts on international rule-making on digital economy.
- The Osaka Track is inspired on the idea of 'Data Free Flow with Trust (DFFT).
- o India finds Data localization significant on the ground of national security, to prevent foreign surveillance and attacks. India's data localization rules (as proposed under the **Personal Data Protection Bill, 2019**) could be undermined by the DFFT.
- Implications on equitable access of data: 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 E-Commerce covers issues related to trade arising from global e-commerce. Some of these issues include the protection of privacy and public morals and prevention of fraud, access to and use of public telecommunications transport networks and services, rules of origin etc.
 - For instance, Reserve Bank of India directive requires payment companies to localise financial data. Also, the **Personal Data Protection Bill, 2019** places certain restrictions on transfer of data outside India.

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 in the digital economy and to take equitable advantage of data free flows.
- Some principles and policies that can be followed to strengthen existing data frameworks:
 - O Holding firms accountable for managing data they collect, regardless of where it is stored or processed. It will enable local accountability and interoperability.
 - o **Revising inefficient processes and outdated legal agreements** that govern law enforcement requests for access to data stored in another country's jurisdiction.
 - o **Establishing international rules** for transparency, settling questions of jurisdiction, and increasing cooperation and coordination of cross-border requests from law enforcement.
 - o **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.

3.4. CHINA'S DEBT TRAP DIPLOMACY

Why in News?

Montenegro is struggling to pay off Chinese loan for a highway project, which has put the country in a dire financial situation.

More on the News

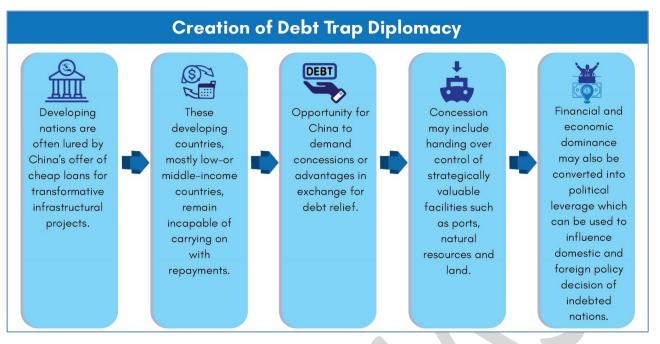
- In 2014, Montenegro signed an agreement to take out a \$944 million loan from China's Exim Bank for the construction of a motorway that would link the port of Bar to the border with Serbia.
 - o Presently, Montenegrin debt is around 65.9% of its GDP with China holding 25% of its public debt.
- Several other countries such as Laos, Kyrgyzstan, Maldives etc. are presently facing debt distress owing sizable portion of the debt to China. This has raised concerns regarding use of debt trap diplomacy.
- In 2018, a report by the Center for Global Development highlighted eight Belt and Road Initiative (BRI) recipient countries at a high risk of debt distress due to BRI loans. These countries included **Djibouti, Laos, the Maldives, Mongolia, Montenegro, Pakistan, Kyrgyzstan, and Tajikistan**.
 - They are highly prone to the mounting debt-to-GDP ratios beyond 50 percent, and around 40 percent of their external debt owed to China.



About Debt Trap Diplomacy

• The term was coined by Indian geo-strategist Brahma Chellaney in 2017. This type of diplomacy refers to offering projects/loans on terms that end up being too difficult for countries to repay, eventually compelling them to accept political or economic concessions.





Practices undertaken by China that point towards their engagement in debt trap diplomacy

- **Financing non-viable projects:** It has been alleged that Chinese funding is often made for non-viable projects without appropriate risk assessment.
 - For example, in 2014, Montenegro successfully concluded negotiations with Chinese partners to finance a highway project despite the fact that the project was deemed economically unviable by two feasibility studies.
- Predatory Lending and Debt Distress: China has invested heavily in middle- and low-income developing
 countries which have history of debt sustainability problems, lack the fiscal capacity to directly finance
 infrastructure and are not commercially appealing for attracting investment.
 - For instance, China has invested in several infrastructure projects in African countries like Ethiopia, Nigeria etc.
- Opaque lending practices: The Chinese government neither provides official data on its international lending, nor does it disclose details regarding the volume or the terms of the loans it provides and how the debt negotiations are adjudicated if the borrower cannot service its debts.
- Lack of debt resolution assistance to borrowing countries: China does not subscribe to any guiding
 multilateral frameworks, set down by the International Monetary Fund or the World Bank, to define its
 approach to debt sustainability problems, choosing instead to deal with countries on a case-by-case basis.
 - Often it capitalises on fiscal mismanagement of borrower countries, centering negotiations on equity swaps rather than on other measures of alleviating debt.
- Acquiring strategic assets: Infrastructural agreements with China often provide Chinese firms the right to access and control land and assets as collateral. Thus, China has acquired assets in several countries (see infographic), including those funded under BRI projects, as a part of Debt renegotiation process.
 - These acquired projects hold strategic importance beyond their economic use. For instance, **Hambantota port in Sri Lanka** can be used for increasing Chinese presence in the Indian Ocean Region.
- **Domination of Chinese interests in projects:** Almost all of China's overseas lending is extended via Chinese state-owned entities and the recipients also tend to be state-owned enterprise. Moreover, Chinese workers make up a bulk of the labour force engaged at the infrastructural projects in foreign countries.
- Use of non-subsidized and expensive credit to finance development projects: In most cases, the loans extended by China are non-concessional and costly.
 - This contrasts starkly with the infrastructure lending of advanced industrial countries who provide subsidized, concessional credits to finance underdeveloped economies.

Reasons why countries have been vulnerable to debt traps

Infrastructure financing needs of middle and low income countries: Infrastructure investment is widely
recognised as a crucial driver of economic and social development. However, middle and low-income
developing countries lack the fiscal capacity to domestically finance infrastructure projects.



Countries participating in the BRI are lured by the promise of socio-economic transformation and development.

Lack of accessible **funding:** Countries find it difficult to fulfil conditionalities for accessing development assistance offered multilateral by lending agencies such as the IMF. Such conditionalities may include structural and governance reforms, targets for macroeconomic



indicators, accounting and auditing systems etc.

- Chinese loans are not as stringent in their requirements for safeguards and reforms
- **Governance issues:** such as lack of adequate pre-project viability analysis, corruption, reckless propensity to borrow, fiscal mismanagement etc. has made it easier for China to push loans for even unviable projects.
 - o For example, in Kyrgyzstan, former Prime ministers Sapar Isakov and Jantoro Satybaldiev have allegedly colluded with Chinese officials to embezzle funds earmarked for BRI projects.

Way Forward

Adequate risk assessment: Countries should conduct proper risk assessment and measure economic viability infrastructure **projects** prior to signing agreements.

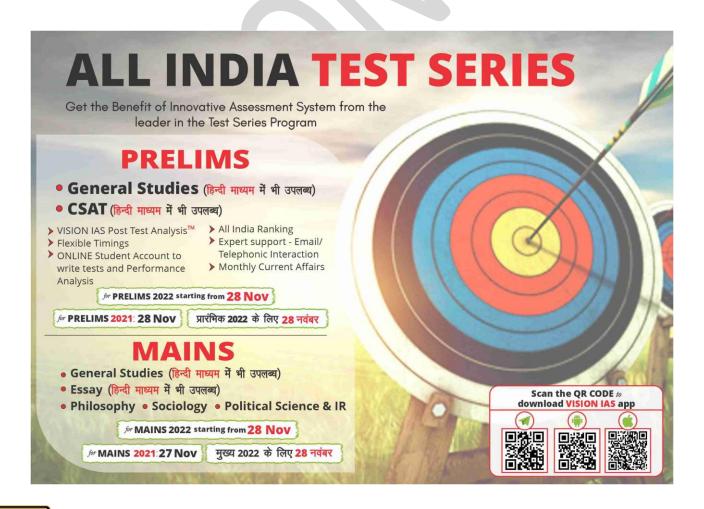


- Sustainable Debt resolution and multilateral cooperation: China should cooperate with multilateral institutions to provide an estimate of debt levels of countries involved in BRI.
 - o Also, it should follow internationally acceptable practices for sustainable debt resolution.
 - China can become a member of the Paris Club to help countries find sustainable solutions to raising debts.
 - ✓ The Paris Club is **an informal group of official creditors** whose role is to find coordinated and sustainable solutions to the payment difficulties experienced by debtor countries.
 - ✓ As debtor countries undertake reforms to stabilize and restore their macroeconomic and financial situation, Paris Club creditors provide an appropriate debt treatment.
 - ✓ India is an ad hoc participant (not permanent member) of Paris club.
- Other alternatives for infrastructure financing: The international community should expand alternatives to Chinese infrastructure financing to fulfil infrastructure deficiencies in Low and middle income countries.



Other Global initiatives for Infrastructure financing

- Blue Dot Network: The initiative gathers financial institutions from the US (U.S. International Development Finance Corporation), Japan (Japan Bank for International Cooperation) and Australia (Department of Foreign Affairs and Trade), it will work as a certification body that will evaluate infrastructure construction projects in the Indo Pacific region.
- Coalition for Disaster Resilient Infrastructure (CDRI): It is a partnership of national governments, UN agencies and
 programmes, and others to promote the resilience of new and existing infrastructure systems to climate and
 disaster risks in support of sustainable development.
- Asia-Africa Growth Corridor: It is an economic partnership agreement between India and Japan to improve infrastructure and digital connectivity in Africa.
- European Union's new connectivity strategy proposes that the EU engage with its Asian partners through a
 sustainable, comprehensive and rules-based approach to connectivity, exploiting existing and
 planned EU networks.
- Trans-European Transport Network (TEN-T) policy: It addresses the implementation and development of a Europe-wide network of railway lines, roads, inland waterways, etc.
- Global Infrastructure Facility (GIF): It is an initiative of G20 countries. It is a global collaboration platform that
 integrates efforts to boost private investment in sustainable, quality infrastructure projects in developing
 countries and emerging markets.
- **Build Back Better World (B3W) Partnership:** Launched by G7 to help narrow the infrastructure need in the developing world, which has been exacerbated by the COVID-19 pandemic.





3.5. GROUP OF SEVEN (G7)

Why in news?

The United Kingdom has invited Prime Minister of India to attend the G7 summit scheduled to be held in June 2021.

About group of Seven (G7)

- Sq is a bloc of industrialized and developed democracies Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States.
- Russia belonged to the forum from 1998 through 2014, when the bloc was known as the Group of Eight (G8), but was suspended following its annexation of Crimea.
- Currently, the aggregate gross domestic product (GDP) of G7 member states makes more than 40% of the world, down from nearly 70% three decades ago.
- The G-7 nations meet annually to discuss issues such as global economic governance, international security, and energy policy.
- > India is not a member of the G7 group.



Significance of G7 to India



- **G7 in Numbers**
- 7 member countries
- 1975 first meeting of the group of six
- 40% of global GDP
- 1/10 of world's population
- 2014 Russia suspended over annexation of Crimea

- Voice in international organisations: Relations with G7 could help further India's security and foreign policy interests, especially at the nuclear club and UN Security Council reform.
- ➤ Allies Against China: The proposal of expansion of G7 with inclusion of India, Australia and South Korea will ultimately come to take the shape of an anti-China alliance, which help to check assertive diplomacy of China.
- > Indo pacific security
- Economy and trade: Useful platform for India to further intensify its links to revive its economic growth after the COVID-19 pandemic.
- Forum of democracies: The extended G7 will act as a credible forum of democracies (D10)

G7 AT- A- 🕡 GLANCE



Challenges



Way forward

- Group of Twenty's (G20): G20 and its rise is seen as an alternative forum to G7 affecting importance and influence of G7.
- WS hegemony: Recently, US clashed with other members over taxes on imports and US's withdrawal from Paris climate agreement.
- Non inclusive: G7 has no representative from any African, Russian or Middle Eastern nation.
- Re-inclusion of Russia: The proposal to re-admit Russia is expected to receive strong reactions from other G7 member countries, because Russia is seen as an ally of China.
- The proposed expansion may also help G7 to be a more representative institution than current G7 and subsequently to establish an equal platform at global level.
- India needs to be more conscious and pragmatic in relation to G7 without hampering its existing relations with Russia and G20.



3.6. MILITARY COUP IN MYANMAR

Why in News?

Recently, Myanmar (formerly called Burma) military grabbed power in a coup, third time in the nation's history since its independence from British rule in 1948.

More on News

- Military (also called Junta and Tatmadaw) has alleged that the general elections held in November 2020 were full of irregularities and that therefore, the results are not valid.
- This marked the end of Myanmar's short-lived experience with democracy which began in 2011, when military implemented parliamentary elections and other reforms.

Why a stable Myanmar important for India?

 Geopolitical interests: Myanmar sits at the intersection of India's 'Neighbourhood First' and 'Act East Policy' policies, and therefore is an essential element in India's

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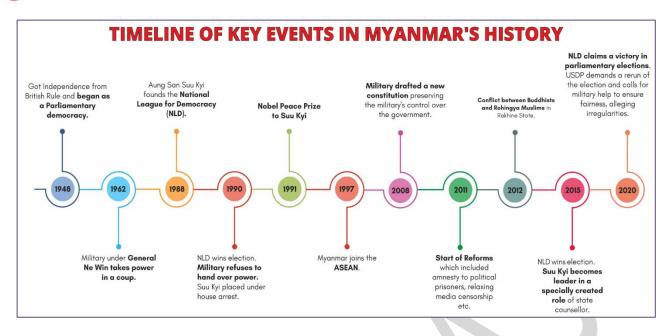
practice of regional diplomacy in the Indo-Pacific, and serves as a land bridge to connect South Asia and Southeast Asia.

- Strategic location: It serves as a buffer between India and China. Myanmar has coastal access to the Bay of Bengal. It connects Bangladesh, China and the restive Northeastern states of India. It is also close to India's Nicobar archipelago.
- National security: Myanmar-China border has become the epicentre of local armed separatist groups operating on Myanmar soil, and Indian groups, ranging from ULFA in Assam to the NSCN (IM) in Nagaland.
- Economic interests: India has interests in natural resources of Myanmar and also developing certain projects like India-Myanmar-Thailand trilateral highway and Kaladan multi-modal project which is to link India's landlocked northeastern States to the Myanmar Port of Sittwe, located in the Bay of Bengal. Instability in Myanmar will be a roadblock to these ambitions.
- Countering China: A weakened Myanmar falling into the clutches of China as a satellite state will pressurize India to do Beijing's bidding in regional affairs.

Global reaction to Myanmar's Military Coup

- Bangladesh called for peace and stability and said it hoped to continue the process of voluntary repatriation of Rohingya refugees with its neighbor.
- China said it hopes all sides in Myanmar can manage their differences within the constitutional and legal framework.
- EU is drafting a blacklist of military leaders to adopt restrictive measures targeting those directly responsible.
- India expressed deep concerns on coup and called for democratic process to be upheld.
- UN Secretary-General said it was a "serious blow to democratic reforms.
- US imposed sanctions on leaders of the coup. It targeted individuals as well as companies.







PATNA | PRAYAGRAJ | PUNE | RAIPUR | RANCHI | THIRUVANANTHAPURAM



4. INDIAN DIASPORA

4.1. ROLE OF INDIAN DIASPORA IN MAKING INDIA SELF-RELIANT

Why in news?

Recently, the 16th Pravasi Bharatiya Divas (PBD) Convention was held virtually in New Delhi with the theme "Contributing to Aatmanirbhar Bharat".

About Indian Diaspora

- Indian diaspora encompasses a group of people who can either trace their origins to India or who are Indian citizens living abroad, either temporarily or permanently.
 - The term 'diaspora' is commonly understood to include Non-Resident Indians (NRIs), Persons of Indian Origin (PIOs) and Overseas Citizens of India (OCI), of which PIO and OCI card holders were merged

under one category — OCI — in

- Status of Indian Diaspora: As per the World Migration Report 2020, India was the leading country of origin of international migrants in 2019 with a 17.5 million strong diaspora.
 - In 2018, remittance inflows to India amounted to USD 79 billion, the largest in the world.

What role can be played by the Indian Diaspora in Making India Self-Reliant?

- Strengthening the identity of Brand **India:** The use of made in India products by overseas Indians will increase confidence in Indian products globally and creates an interest in Indian ways and values. This can spur demand of 'made in India' products across the globe.
- Assistance through sharing expertise and knowledge: Rapidly growing population of Indian Diaspora have created a mark in various walks of life such as academics, social service, medicine, business, IT etc. Through dialogues and discussions, the eminent diaspora can help support the country's endeavor to enhance its capacities in these fields.
 - Also, due to familiarity with consumer markets abroad, Indian diaspora can provide unique insights into consumer behaviour and can help Indian firms to manufacture 71riticized products for foreign markets.
 - During the COVID pandemic, Indian diaspora was actively engaged in the healthcare system in many foreign countries. These healthcare specialists can help India to strengthen its strategies to tackle healthcare emergencies in the future.
- Remittances aid in socio-economic development: Remittances have played a role in poverty reduction while changing consumption behaviour in rural areas. They enable innumerable families in India to invest in education and skill development and hence generate capable human resource.
- Facilitating entrepreneurship: Diaspora can help build transnational entrepreneurship, supporting entrepreneurs and small businesses in India in the form of technical knowledge transfers and finances.

Concerns

- Regulatory hurdles, such as complex norms for establishing new firms, FDI limits etc restrict ease of doing business and deter investment.
- Limited scope of interactions: Most of the outreaches are focused on Indian diaspora in developed countries like USA, UK etc., while new opportunities with growing diaspora in emerging nations like South Africa, South East Asian nations etc. are not given appropriate attention.



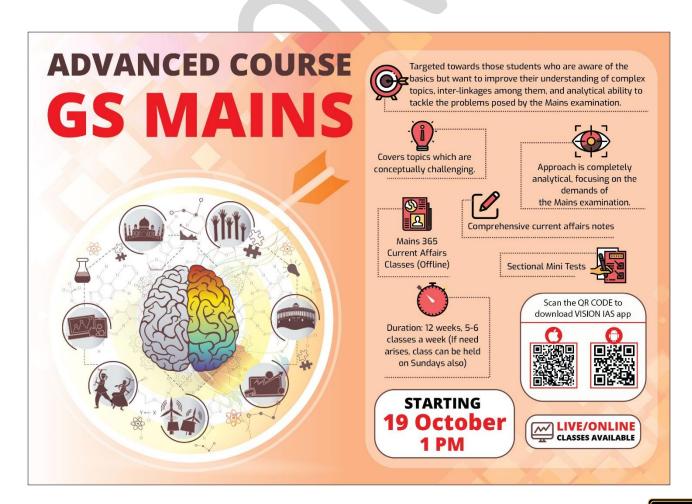


- Secure Investment flows: Indian diaspora are better informed of India's market conditions, the domestic labour and economic policies and consequently have more realistic expectations of time frames for project completions and investment returns. Capital inflows in Greenfield and brownfield firms can help expand manufacturing in India.
- **Diaspora diplomacy:** As the Indian Diaspora gains financial and political affluence abroad, they can potentially lobby their governments for stronger political and business alliances with India and promote frequent visits, delegations and conferences across government and industry.

Way Forward

The role of Indian diaspora in development of self-reliant India can be further enhanced by:

- **Conducting outreach and information campaigns** to educate diaspora of investment opportunities and setting up seamless investment channels to induce by investment by Indian immigrants.
- **Facilitating discussion to inform public policy in India** through formation of regional or sectoral group of advisors from Indian diaspora.
- **Focusing on engaging growing diaspora in emerging countries** like South Africa, South East Asian Nations etc
- Improving ease of doing business specifically enabling diaspora to expand operations of their firms in India.





5. IMPORTANT INTERNATIONAL INSTITUTIONS, AGENCIES AND FORA- THEIR STRUCTURE, MANDATE

Overview: India and Multilateral Development Institutions

What are Multilateral Development Institutions (MDIs)?

Starting from **Bretton Woods Institutions** to rebuild war-ravaged nations and stabilize the global financial system, MDI is defined as "an international financial institution chartered by two or more countries for the purpose of encouraging economic development in poorer nations".

- The primary goal of MDIs is to issue **grants and low-cost loans** for improvement in the **social** and **economic conditions** of impoverished or developing nations.
- Traditionally an initiative from developed countries, in the last few decades emerging economies have also started building MDIs. For example, NDB, Asian Infrastructure Investment Bank (AIIB) etc.
- They help developing countries to fund capital intensive activities like infrastructure, energy, education, and environmental sustainability.

Major Global and Regional MDIs with Indian Membership						
Name of MDI	Year of Formation	Headquarter	Total Member	Type of Financing		
World Bank Group	IBRD-1944, IFC-1956, IDA-1960 MIGA-1988	Washington D.C., USA	IBRD-189, IFC-185 & IDA-173 MIGA-182	Concessional and Non-concessional loans, equity investments, Grants and loan guarantees with some differences within the sub-institutions.		
International Monetary Fund (IMF)	1944	Washington D.C., USA	190	Mainly Policy-based loans with financing in exchange of particular policy reform like Privatization, Agricultural or electricity policy reforms.		
African Development Bank Group (AFDB)	AFDB-1964, African Devel- opment Fund- 1972	Abidjan (Ivory Coast)	81	Non-concessional and concessional loans, equity investments, and loan guarantees Grants by African Development Fund.		
Asian Development Bank (ADB)	ADB-1966, Asian Develop- ment Fund-1973	Mandaluyong of Metro Manila (Philippines)	68	Non-concessional and concessional loans, equity investments, and loan guarantees Grants by Asian Development Fund.		
New Development Bank	2014	Shanghai, China	8 (after latest expansion)	Guarantees, syndicated loans with private investors, equity investments, project bonds and co-financing arrangements with other MDIs.		
Asian Infrastructure Investment Bank	2016	Beijing, China	103	Loans, investing in the equity capital of an enterprise, and guaranteeing with open option of underwriting.		

^{*}The World Bank Group includes the International Bank for Reconstruction and Development (IBRD), The International Development Association (IDA), The International Finance Corporation (IFC), The Multilateral Investment Guarantee Agency (MIGA) and The International Centre for Settlement of Investment Disputes (ICSID). The term World Bank is collectively referred for IBRD and IDA.

Note that India is not part of ICSID.

Importance of Multilateral Development Institutions for Developing Countries like India

• Source of financial and technical assistance by working closely with the public and private sector.

^{**}Please note that UAE and Uruguay are prospective members and will officially become a member country once they deposit their instrument of accession.



- Offers expert assistance on policies, implementation and monitoring the projects being funded.
 - E.g., the IMF policy-based loans helped Indian economy to move from the License-Quota-Permit (LQP) regime to Liberalisation-Privatisation-Globalisation (LPG)
- MDIs borrow funds from international capital markets to lend it to developing countries. It helps developing nations to overcome disadvantages suffered due to low credit ratings.
- Coordinating responses to regional and global challenges, helping developing countries in
 - o Improving social (health and education) and physical (roads, railways etc.) infrastructure. E.g., World Bank has given loans assistance to Sarva Shiksha Abhiyan, the Green National Highways Corridors Project etc. in India.
 - o **Poverty Reduction** through higher growth and employment generation,
 - o Promotes international monetary cooperation,
 - o Reach global goals like the Sustainable Development Goals, and
 - o **Provide climate finance assistance** to overcome factors of forced displacement.
- Helps the investors and business leaders in expansion through new, fast-growing markets.

Concerns on Multilateral Development Institutions highlighted by India

- **Dominance of Developed Countries:** The most significant MDIs like the IMF and World Bank are dominated by Global North with under-representation of the Global South, i.e., lack of voice representation from developing countries in governance.
- **Imposition of Conditionality:** Some funding agencies have special terms over sourcing of equipment, infringing sovereignty and detrimental to interests of domestic industries.
 - E.g., As part of its Development Policy Financing, World Bank uses loan conditions which undermine borrower country ownership with restricted policy space and often are seen as illegitimate political activity through neoliberal bias.
- **Purpose of Help:** MDIs are criticized for behaving as international bureaucracies with greater focus on moving capital to developing countries instead of delivering results. E.g., the poverty level in Africa remains high despite presence of several MDIs for over decades.
- **Crowding out Private Funding:** With increased access to capital for developing countries, the MDI funding may lead to crowding out of private investment in developing countries.
- Lack of Transparency and Accountability: Being actors in their own rights, they are mainly driven by self-regulatory frameworks with no external oversight.

Way Forward: Making MDIs more inclusive, representative and developmental

- In the aftermath of COVID-19 pandemic, MDIs will be a **critical source of financing** and **capacity support** for developing countries to overcome financial distress.
 - E.g., during the 2008 Global Financial Crisis, MDIs provided nearly \$222 billion in financing to overcome the liquidity crisis with very little financing from profit-oriented commercial banks.
 - Recently, IMF allocated Special Drawing Rights of US\$ 650 billion to extend financial support for softening the COVID impact of global economies.
- **Phasing out of direct and indirect conditionalities** with no one-size fit all approach from by World Bank and IMF can be the first step to overcome developing nations concerns.
- Introduce changes in **internal administrative laws** and subject themselves to **external oversight** for better transparency and accountability.
- **Governance Reforms** in World Bank and IMF to increase representation of developing nations for an inclusive and representative governance structure.
- Strengthening of new MDIs to diversify options and promote South-South cooperation.
- **Focus on development of local markets:** MDIs should focus on building self-reliance for developing countries, resulting in a **resilient** and **sustainable recovery from pandemic**.

Related news

Suspension/Expulsion of countries from International Organisations.

Ever since the Taliban took over Afghanistan, questions are being raised over the membership of Afghanistan in various International Organisations.

- The International Monetary Fund has announced suspending its engagement with Afghanistan until there is clarity within the international community on the recognition of the government led by the Taliban.
- The World bank has halted funding for projects in Afghanistan.
- Decision over Afghanistan's membership in United Nations is pending.



- The UN refused to recognise the Taliban government when the group was in charge of Afghanistan from 1996 to 2001.
- In SAARC as well, Pakistan's insistence that the Taliban be allowed to represent Afghanistan, which other SAARC member states didn't agree to has led to recent cancellation of the group's meeting.

International Law on expulsion or suspension of member countries from International Organisations (IOs)

On this issue, IOs are broadly divided into two categories

IOs that explicitly provide for expulsion or suspension of member countries

For instance,

- Article 6 of the UN Charter allows the UN General Assembly to expel a country, on the recommendation of the UN Security Council, if the country has persistently violated the principles reflected in the UN Charter.
- Article 5 of the UN Charter allows for the suspension of a country from UN membership.
- Article XXVI (2) of the International Monetary Fund (IMF) envisages suspension and expulsion of a member country if it fails to meet its obligations under the IMF Articles. In the IMF terminology, this is called 'compulsory withdrawal'.

IOs do not contain any provision on expulsion or suspension of its member countries

- For such IOs, there is no inherent right in the organisation to expel or suspend a member state. SAARC fall under this category.
- However, such IOs have an implied power to suspend or expel countries based on the doctrine laid down by the International Court of Justice in the Reparation for Injuries Case.
- As per the doctrine, there are three situations when a country can be expelled or suspended from the IO:
 - If the regime in a country changes from democratic to anti-democratic. For instance, the African Union suspended Mali and Niger in 2010 after a deadly coup.
 - If there are human rights violations. For instance, the Commonwealth of Nations suspended Fiji in 2009 for human rights violations such as restrictions on free speech, assembly, and arbitrary arrests.
 - o If the country commits an act of armed aggression.

5.1. INDIA-UNSC

Why in news?

India officially began its eighth term as a non-permanent member of UNSC for the 2021-22 period.

More on news

- **India will serve as the president of the council**, a position held by each of the members in turn for one month, according to the alphabetical order of the member states' names.
 - Presidency entails presiding over council meetings, coordinating actions, deciding the content of UNSC debates and more.
- India will also chair the crucial Taliban and Libya sanctions committees and the Counter-Terrorism Committee of the UN Security Council during its tenure as non-permanent member.

Opportunities for India in its two-year term

- Making the UNSC effective and more representative: The council is becoming less effective due to the deep divisions among the major powers. As the world's largest democracy with economic and military prowess, India is in a unique position to be the leader that will champion such cause.
- **Strengthen climate change dialogues:** In times to come, climate change would be the biggest threat to humanity and India should use the UN platform for taking new initiatives on this important issue.
 - o India's flagship initiatives, International Solar Alliance and Coalition against Disaster Resilient Infrastructure highlights India's potential leadership role in this arena.
- **Fight against terrorism:** As terrorist activity breaches new frontiers, no country can afford to adopt an ostrich like approach.
 - India should use its tenure to force a search for solutions, especially on reining in terror finance infrastructure, cyber threats and use and misuse of information and communication technologies by state and non-state actors. India must also strive for more cooperation and coordination between the UN and the Financial Action Task Force (FATF) on the issue of terrorism.
- **Deal with China's growing hostility:** India's presence in the UNSC would be useful in building a narrative and consensus against China's ill motives and also generating the conditions for resolving the boundary dispute and expand the areas of bilateral cooperation.
- Strengthen new alliances such as QUAD. India could also use the UNSC tenure to deepen collaboration with its European partners like France and Germany in the security arena, and find common ground with Britain that is carving out a new international path for itself after breaking away from the European Union.



- Revitalise its engagement with its traditional partners in the global south: The numerous small island states around the world face existential challenges from global warming and rising sea levels. They also struggle to exercise control over their large maritime estates. Supporting the sovereignty and survivability of the island states by articulating their peace and security concerns in the UNSC is a crucial political task for India.
 - At the same time, the UNSC tenure is a good moment for India to intensify India's engagement on peace and security issues in Africa at bilateral, regional and global levels.
- Shaping debates on emerging issues: India will have the opportunity to shape the debate on some of the most pressing global peace and security challenges of our times, including the humanitarian crisis in Myanmar, the Iran nuclear deal, the COVID-19 pandemic among others.
 - **Biological warfare:** The pandemic has sensitised possibilities of malicious use of pathogens and the possibility of biological warfare. India has the opportunity to build networks with like-minded nations to ensure constructive progress.

India chairing the committees on Terrorism

- India is a leading voice at the UN in the fight against the global scourge of terrorism, particularly the threat posed in the region by cross-border terrorism emanating from Pakistan.
- The three committees are highly significant subsidiary bodies of the UNSC and India chairing them is a ringing endorsement of the country's leadership to steer the panels.
- **Counter-Terrorism Committee:** The committee was established after the 9/11 terror attack in the United states and it works to bolster the ability of UN member states to prevent terrorist acts both within their borders and across regions.
- Taliban Sanctions Committee: also known as the 1988 Sanctions Committee, The committee designates individuals and entities for supporting terrorist activities associated with the Taliban.
- Libya Sanctions Committee: Under the Committee, all member states are required to prevent the sale or supply of arms and related material to Libya; prevent the entry into or transit through their territories of all listed individuals; freeze all funds, other financial assets and economic resources that are owned or controlled, directly or indirectly, by the listed individuals or entities.

India was the co-sponsor of Declaration on Granting of

- Growing nuclear risks: India could support a Special Session on Disarmament to meaningfully examine pathways towards elimination of nuclear risks and weapons.
- India's Bid for Permanent Seat: India's inclusion into the grouping as a permanent member, has been time and again blocked by China. India's case would be better strengthened by showcasing sincere leadership

India and UN

- on international security concerns, especially in a polarised environment.
- Reforming peace keeping efforts: India is one of the largest contributors of peacekeeping troops to the UN and it shall seek to leverage its strengths in Information and Communication Technology (ICT) to improve peacekeeping efforts around the world.

Challenges in front of India

- Lack of consensus on the definition of terrorism: India took the initiative to pilot draft Comprehensive Convention on International Terrorism (CCIT) in 1996. The CCIT is however facing a deadlock at the UN since there are basic differences between various countries on the exact definition of terrorism.
- China Factor: Beijing is asserting itself
- Fight against Independence to Colonial Countries and Peoples. colonization India was the first country to raise Apartheid issue at UN. and apartheid India was among the earliest signatories of Convention on Elimination of all forms of Racial Discrimination. India has deployed more than a quarter of a million troops over the years in as many as 49 UN Peacekeeping Missions. Recently, India provided 2,00,000 doses of COVID-19 vaccines Peacekeeping for UN Peacekeeping personnel worldwide. India was the first country to deploy an all-women contingent for Formed Police Unit to the UN peacekeeping mission in Liberia. India was instrumental in the setting up of UNCTAD in 1964 fo Development promoting trade and development. and Economic India has emphasized the need for enhanced flows of official issues development assistance (ODA) to developing countries. India took the initiative to pilot a draft Comprehensive Convention on International Terrorism. Terrorism/Hum an Rights India played an active role in drafting the Universal Declaration on **Human Rights.**
- at the global stage much more vigorously than ever. It heads at least six UN organisations and has challenged the global rules. China also continues to brazenly support Pakistan at multilateral fora further undermining Indian interests.
- Post COVID Global Order: Global economy is in shambles with various countries facing recession and health emergencies. At the same time, narrow nationalism is sweeping across the world which challenges

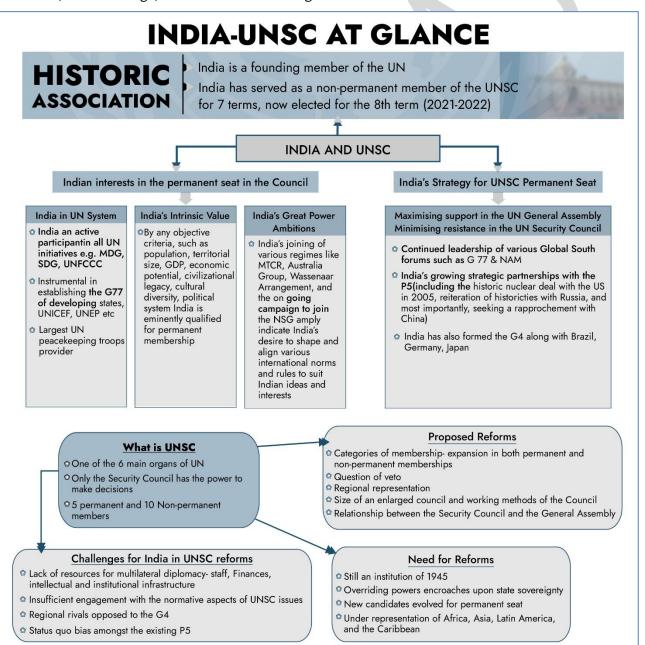


the prospects of global cooperation. To handle all these situations need careful strategy to move the world out of this burdening challenge.

 Global geopolitics: With the situation deteriorating between USA and Russia and increasing tensions between USA and Iran, it will be tough situation for India to promote multilateral solutions to global problems.

Way forward

- As India enters the United Nations Security Council for the third time since the end of the Cold War, there
 is a very different dynamic than the one it encountered during the earlier tenures in 1991-92 and 2011-12.
 India, too, has changed over the last decade. The range of Indian interests has expanded and so has the
 circle of India's international partners.
- India's new stint at the UNSC should therefore be more purposeful and pragmatic. Purposefulness is about integrating its UNSC engagement with India's broader national goals and Pragmatism is about adapting to the changed conditions at the UNSC and avoiding overly ambitious goals.
- India's belief in the dictum of **Vasudhaiva Kutumbakam** (the whole world is a family), must manifest in bridging the geopolitical divide and play its part in ensuring global justice in areas of common concern like health, climate change, terrorism and reform of global institutions.





5.2. INTERNATIONAL CRIMINAL COURT

Why in News?

Recently, 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
- > It was established by the Rome Statute of the International Criminal Court in 1998.
- >> There are 123 countries party to the Rome Statute.
- > Countries which never signed the treaty: India, China, Iraq, North Korea, Saudi Arabia, Turkey etc.

Principal objections of India to the Rome Statute

- > Extraordinary privileges given to the UNSC to make referrals to the Court.
- >> Blurred the legal distinction between normative customary law and treaty obligations
- >> India wanted a stricter complementarity regime
- 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.

Limitations of ICC



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- Disproportionately targeting the African continent
- Lack of participation by three permanent members (China, US, Russia) of the UN Security council
- >> One-size-fits-all approach
- >> Jurisdiction of the ICC over internal conflicts
- → Absence of systematic cooperation by states parties
- Biased character

ICC AT- A- 🕡 GLANCE



Achievements of ICC



Way forward

- Unique mechanisms for providing support to victims and witnesses.
- The establishment of vital Court infrastructure and outreach programme in affected countries.
- The judiciary has also had many marked successes in dealing with the situations in the Democratic Republic of Congo, Uganda, Darfur and the Central African Republic.
- 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.
- In order to improve the impact of the ICC, its members have a crucial role to play in supporting the Court to provide international justice.
- 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.



5.3. 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.

About United Nations Human Rights Council

- Established in 2006 by UN General Assembly (UNGA) and replaced the former United Nations Commission on Human Rights.
- Responsible for strengthening the promotion and protection of human rights around the globe.
- >> 47 member States who are elected by the UN General Assembly by a simple majority vote.
- Three-year terms with one-third of the members being renewed each year.
- > Equitable geographical distribution of seats.
- Decisions, resolutions, and recommendations are not legally binding. UN Office of the High Commissioner for Human Rights (OHCHR)
- >> Department of the United Nations Secretariat.
- To promote and protect the enjoyment and full realization, by all people, of all rights established in the Charter of the United Nations.
- Preventing human rights violations, securing respect for all human rights, promoting international cooperation to protect human rights, coordinating related activities.



Key features of Human Rights



What are human rights?

- Available simply because we exist as human beings.
- Range from the most fundamental like 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.

- Universal and non-discriminatory Everyone is equally entitled to human rights.
- Inalienable Rights should not be taken away, except in specific situations and according to due process
- Indivisible and interdependent One set of rights cannot be enjoyed fully without the other.

UNHRC AT- A- 🕡 GLANCE

Importance of UNHRC





Issue with UNHRC

- Assessing the human rights records of all UN Member States.
- Appointing independent experts (Known as Special Procedures) to review human rights violations.
- Examining complaints from victims of human rights violations.
- Promote human rights education and learning as well as advisory services, capacity building, etc.
- 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.
- Promote the full implementation of human rights obligations undertaken by States, and follow-ups,

- Membership Criteria: Different view on human rights taken by different countries.
- Geographical quota system: Limits the number of choices available.
- Tainted democracies: Poor records in certain civil and political rights criteria, such as press freedom, etc.
- Secret Ballot System: Easier for countries with questionable human rights records to be elected to the Council.
- Politicisation of the HRC: Vote in favour of their national interests rather than human rights interests.
- Israel and the HRC: Disproportionate number of resolutions against that country.



5.4. 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 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.
 - o **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.
 - WHO director-general can declare a public health emergency of international concern
 - WHO can 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

Criticisms of WHO during COVID-19

- Lack of preparedness- 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: COVID 19 was declared as a 'public health emergency of international concern' (PHEIC) when the confirmed cases had increased tenfold across 18 countries. WHO also delayed its declaration as a 'pandemic.
- Indecision in visiting China- The WHO did not show any urgency in sending an investigation team to China.
- Delay in acknowledging human-tohuman transmission of the virusespecially, after the first case was announced outside China.
- Not endorsing the use of trade and travel restrictions- 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

Arguments against the criticism of WHO during COVID-19

- Lack of capacity with WHO- WHO lacks functional capabilities to challenge the governments politically. (Issues are discussed below)
- 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.

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- Its coordinating authority and capacity are weak and it merely works as a technical organisation.



generous in his approach towards China. This was highlighted by the appreciation of China's swift response- especially when there is sufficient evidence of concealment of the outbreak.

- It relies on bureaucracy and regional offices for control and acks 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.

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.

5.5. WORLD FOOD PROGRAMME

Why in News?

The **Nobel Peace Prize** 2020 was awarded to **World Food Programme** (**WFP**) for "its efforts to combat hunger, bettering conditions for peace in conflict-affected areas and preventing the use of hunger as a weapon of war and conflict".

WFP and its achievements

- WFP, established in 1961, is an **intergovernmental organisation and UN's primary agency** that works towards achieving the SDG Goal of eradicating hunger (Goal 2) by 2030.
- Currently, it is the world's largest humanitarian agency combating hunger. It delivers food assistance in emergencies and works with communities to improve nutrition and build resilience.
- Every year, WFP distributes more than 15 billion rations at an estimated average cost per ration of \$0.61 and two-thirds of its work is in conflict-affected countries where people are three times more likely to be undernourished than other countries.
- In 2019, it assisted close to 100 million people in 88 countries who are victims of acute food insecurity and hunger.
- It plays a key role in multilateral cooperation to combat the use of hunger as a weapon of war and conflict and on making food security an instrument of peace.
- WFP publishes Hunger Map that depicts the prevalence of undernourishment in the population of each country to monitor the status of global hunger and help enhance the efficiency of operations.

Links between hunger and conflict

- The Nobel award recognises a key connection between hunger and global conflict. As the UN Security Council emphasized in a 2018 resolution, humankind can never eliminate hunger without first establishing peace. Conflict causes rampant food insecurity:
 - It disrupts infrastructure and social stability, making it hard for supplies to get to people who need them.
 - Too often, warring parties may deliberately use starvation as a strategy.
 - Food insecurity also perpetuates conflict, as it drives people from their homes, lands and jobs, deepening existing fault lines and fueling grievances.
- Conflict-driven hunger has been widespread in the past several years in Afghanistan, the Central African Republic, the Democratic Republic of the Congo, South Sudan and Yemen.

WFP and India

- The WFP has been working in India since 1963.
- Apart from focusing on reforms in the Targeted Public Distribution System, it provides policy inputs, advocacy and technical assistance for improving access to food.
- The WFP has **proposed some unique initiatives** like Automatic Grain Dispensing Machine (Annapurti) and Mobile Storage Units for the effective implementation of TPDS and has completed a **pilot on rice fortification** used in the government's Mid-day Meals scheme in Varanasi.
- During the current COVID pandemic, it has signed an **MoU with the Uttar Pradesh State Rural Livelihood Mission** to provide technical assistance for setting up supplementary nutrition production units.



6. MISCELLANEOUS

6.1. INDIA'S VACCINE DIPLOMACY

Why in news?

Days after India began vaccinating its own population against the novel coronavirus, India has begun dispatching millions of doses to its South Asian neighbors and key partner countries.

What is Vaccine Diplomacy and why is it important in the current global context?

Vaccine diplomacy can be seen as a branch of global health diplomacy that relies on the use or delivery of vaccines and alongside providing ancillary services like distribution assistance and related research. For instance, India has been a major supplier of RT-PCR vaccines in the African region since the AIDS outbreak. This can be seen as an example of India's vaccine diplomacy.

In the current context, amid a health crisis in the form of COVID-19, vaccine diplomacy has assumed an even larger role due to following reasons:

- Countering emergence of Vaccine Nationalism: With the development of vaccines, it was seen that some rich countries started cornering and sometimes hoarding vaccines. This is being termed as vaccine nationalism where myopic view of national needs is solely catered to with disregard for collective global needs. For instance, rich countries account for just 16 percent of the world's population, but they have cornered 60 percent of the vaccines bought globally.
 - In this context, it becomes important to not follow suit and create a counter narrative of vaccine
 internationalism or vaccine diplomacy where supply of vaccines is seen as geopolitical opportunity
 rather than a national liability.
- Strengthening the idea of collective global response: Vaccine diplomacy ensures that supply of vaccines reaches all areas in a short span of time creating a swift and timely global response to eliminate the virus.

How can vaccine diplomacy aid India's foreign policy?

- **Generating goodwill in the neighborhood:** In keeping with its "Neighborhood First" initiative, the first consignments of the Covishield vaccine and Covaxin have gone to its immediate neighbors i.e., Bangladesh, Bhutan, Maldives, Myanmar, and Nepal, and to key Indian Ocean partners, Mauritius and Seychelles.
 - Vaccine diplomacy may help provide a fresh start to troubled relationships in the neighborhood. For example, Nepal which has been sparring with India in recent months, has expressed gratitude for India's gesture.
 - Also, such gestures will help counter the "big brother" or "bully" perception of India among the smaller neighbors like Bangladesh.
- Vaccine pacts with other developing nations: India envisages to distribute vaccines to Latin America,
 Africa, and the former Soviet Republics. Many of the recipient countries have signed vaccine pacts with
 India on a government-to-government basis. This will strengthen India's soft power in the region by
 decreasing the "vaccine inequality" in the developing world.
 - India has also offered to help friendly nations in enhancing their cold chain and storage capacities for the delivery of Vaccines.
- India's Vaccine Maitri (Vaccine Friendship) has evoked a positive response globally. The leadership shown by India during this crisis may increase its global standing.
- India's comparative advantage in vaccine diplomacy: There are several advantages that makes India a more suitable candidate for vaccine diplomacy from other countries including China
 - o India is **one of the largest manufacturers of vaccines in the world**; it supplies around 60 percent of the global requirement of DPT, BCG, and measles vaccines.
 - o Indian vaccines have **shown less side-effects and are low cost** and easier to store and transport.
 - Extension of already prevalent supply of medicines and generic drugs like hydroxychloroquine (once thought to help treat COVID-19) and paracetamol (a painkiller).
- Aiding overall medical diplomacy and pharmaceutical sector: Commercial supply of COVID vaccines will benefit Indian pharmaceutical businesses now and in the long run.



What are the challenges that India faces in executing the idea of vaccine diplomacy?

- Balancing Vaccine Diplomacy with domestic needs: India will need more than a billion doses to protect its own population. To ensure that supply is not constrained in India and simultaneously fulfilling international commitments on the 'vaccine pacts' will be a manufacturing as well as a logistical challenge.
- Competition from China: Although India has a comparative advantage with regard to China due to its medical Industry. But China has by and large recovered from the pandemic and it will be able to inject more diplomatic resources towards vaccine diplomacy, thus challenging India's leadership in the domain.

Way forward

India's potential and the current context provides it with a twin opportunity to serve humanity and simultaneously strengthen its geopolitical position, efforts should be made to capitalize on this opportunity as far as possible. The immediate gains which may generated, like opening of communication channels, creation of goodwill etc. should be capitalized with more concrete engagements through geopolitical partnerships, economic agreements and resolution of bilateral issues.

6.2. INDIA'S DRAFT ARCTIC POLICY

Why in News?

Government has recently released a draft Arctic Policy document in order to solicit public comments.

About Arctic region

- It refers to the region above the Arctic Circle, north of latitude 66° 34' N, which includes Arctic Ocean with North Pole at its centre.
- Much of this Ocean falls within the jurisdiction of five Arctic littoral states—Canada, Denmark (Greenland), Norway, Russia and USA (Alaska).

Significance of Arctic region

 Environmental & Climate Change: Arctic influences earth's atmospheric, oceanographic and biogeochemical cycles which further in

biogeochemical cycles which further impacts the whole world.

- Arctic region also has ecological importance as it is home to extensive biodiversity of more than 21,000 known species providing essential services and value to people.
- o Studying the impact of climate change in the Arctic can improve response mechanisms in other parts

of the globe including India.

Economic significance: Rapid warming and melting of ice in the Arctic is making areas in arctic region with raw materials potential increasingly accessible economic exploitation and development.

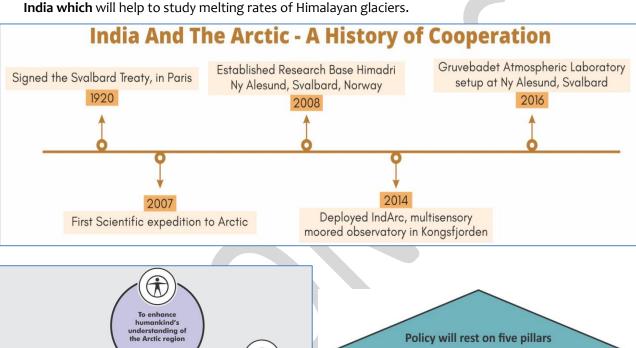
Various global initiatives for Arctic

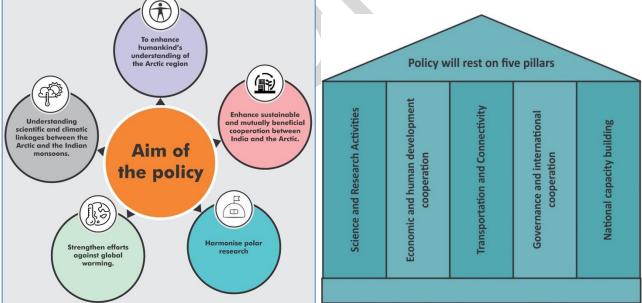
- About Arctic Council: intergovernmental forum for Arctic cooperation that was set up with the twin-mandate of environmental protection and sustainable development. India became an Observer nation in 2013. Under it:
 - Arctic Monitoring and Assessment Programme: to monitor and assess the status of the Arctic region with respect to pollution and climate change issues.
 - o **Arctic Contaminants Action Programme:** works to prevent and reduce pollution and environmental risks in the Arctic.
 - o **Arctic Marine Tourism Project** to analyze and promote sustainable tourism across the circumpolar Arctic.
- **Arctic Economic Council:** an independent organization that facilitates Arctic business-to-business activities and responsible economic development.
- **Arctic Migratory Birds Initiative:** to improve the status and secure the long-term sustainability of declining **Arctic** breeding **migratory bird** populations.





- As per estimates, Arctic region holds an estimated 22% of Earth's oil and natural gas resources and India has interest in Arctic rich minerals, and oil and gas reserves.
- Arctic offers viable opportunities in different sectors where Indian enterprises can be involved, become part of international commerce, promote traditional indigenous knowledge, businesses and best practices.
- **New Sea Routes:** As Arctic ice melts, sea routes will stay navigable for longer periods, which could drastically change international trade and shipping.
- New fishing grounds: As sea ice declines, new opportunities for high sea fisheries are emerging.
- **Geopolitical:** Its geographical location is in between three continents America, Europe and Asia, offering short trade distances destination as well as transit.
 - Due to increased mobility and economic potential within the Arctic resulting from global warming, fears of a scramble for the Arctic with escalating territorial disputes is also growing.
- Research & Development: Arctic research can enhance contribution to domestic research activities of India which will help to study melting rates of Himalayan glaciers.







6.3. STRATEGIC AUTONOMY

Why in news?

Recently, Foreign Secretary of India listed the **five pillars of Indian diplomacy for strategic autonomy & global good.**

More in news

The five pillars of Indian Diplomacy are:

- **Multipolar focus:** India places Neighborhood First, Act East and Think West and has revitalized its approach to these policies.
- **Diplomacy as an international force multiplier for the Government:** Indian diplomacy must be able to work with domestic partners and bridge them with international interests to exploit the opportunities that will inevitably arise.
- Force for global good: This pillar ensures Vasudhaiva Kutumbakam in action.
 - o For example, India's efforts in ensuring global vaccine supply through Vaccine Diplomacy.
- **Futuristic Outlook:** It promotes efforts at rebalancing including our endeavor to participate in the search for solutions to common problems.
 - For example, despite our development needs, India has shown strong commitment to climate action.
- Indian in thought: Indian diplomacy is guided by bearings that arise from Indian thinking influenced over centuries by Kautilya's Arthshastra or ancient texts such as the Mahabharata and the Bhagvad Gita. Three strands of Indian diplomacy worth

strands of Indian diplomacy mentioning here are:

- Tradition of the Middle Path.
- o Human-centric globalization.
- o Need for strategic autonomy.

What is 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.
- India and Strategic Autonomy:
 - In bipolar or multipolar world orders dominated by globalization, the ability to be strategically autonomous is not absolute but only relative.
 - Based on this, India is destined to be even less strategically autonomous.
 - less strategically autonomous.

 Core security issues: India resist external
 - pressure to change its policy or moderate its interest on **core issues of national security** irrespective of the costs involved.
 - ✓ For example, core national interests like Jammu & Kashmir issue and nuclear weapons.
 - Non-core security issues: Under external pressure, India is likely to alter their policy or moderate their interest on non-core security issues if the associated costs are calculated to be disproportionate to the benefits that may accrue from persisting with the preferred policy or interest.
 - ✓ For example, India's decision to vote against Iran in the International Atomic Energy Agency under the pressure of United States.

Non-Alignment & Strategic Autonomy

- In appearance, the two are different the one nonalignment, the other multi-alignments; the one is relevant in the bipolar world, the other in the multipolar world; the one where India acted as a key leader of the South, the other where India is a leader among select powers (both Global South and among today's major power centers).
- In **essence**, the two are similar in the sense that both assume India would judge issues and relations on merit, not on the dictates of other powers. Strategic Autonomy is all about issue-based alliances.

Strategic Autonomy & Self-reliance

- Unlike in the past, self-reliance today is not about retreating from the world, but of enhancing India's economic contribution to the global economy.
- Self-reliance is about empowering India and the speedy realization of its full national economic potential.
- When Self-reliance is applied to foreign policy framework, it comes closer to "strategic autonomy".



Evolution of Strategic Autonomy

First phase (1947-62): Optimistic Non-Alignment

- In a bipolar world after the second world war, India's objectives were to resist dilution of its sovereignty, rebuild its economy and consolidate its integrity.
- In pursuit of an equitable world order, India played a critical role in the establishment of the Non-Alignment Movement (NAM) (1961), which marked the peak of Third World solidarity.

Second phase (1962-71): Decade of Realism and Recovery

- After the 1962 war, India made pragmatic choices on security and political challenges by looking beyond non-alignment in the interest of national security.
- ➤ However, India faced external pressures on Kashmir (Tashkent agreement 1965) from the US and UK.
- Despite the Tashkent agreement, there was continuation of Pakistan's aggression in Kashmir (as Pakistan was an ally of the US), hence India started tilting towards USSR.

Third phase (1971-91): Greater Indian Regional Assertion

- ▶ India showed remarkable use of hard power when it liberated Bangladesh in the India-Pakistan war in 1971.
- However, it was a particularly complex phase as the US-China-Pakistan axis, sanctions from US in wake of nuclear tests in 1974 and further collapse of USSR seriously threatened India's prospects, as a regional power.

Fourth phase (1991-98): Safeguarding Strategic Autonomy

- The emergence of a unipolar world (led by the USA), encouraged India to change its approach to world affairs.
- This quest for strategic autonomy was particularly focused on securing its nuclear weapon option (Pokhran II 1998) and India reached out to engage the US, Israel and ASEAN countries more intensively.

Fifth phase (1998-2013): India, a Balancing Power

- In this period, India gradually acquired the attributes of a balancing power (against the rise of China).
- It is reflected in the India-US nuclear deal (123 Agreement) & at the same time, India could also make common cause with China on climate change and trade, and consolidate further ties with Russia while helping to fashion BRICS into a major global forum.

Sixth phase (2013-until now): Energetic Engagement

- In this phase of transitional geopolitics, India's policy of non-Alignment has turned into Multi Alignment.
- India has been able to assert itself beyond South Asia, through its approach towards the Indian Ocean Region (SAGAR initiative) and the extended neighborhood (Act East policy and Think West policy).

Need of Strategic Autonomy

- **Geostrategic balancing:** India has always sought to maintain close diplomatic ties with different groups, including those who consider the other as an enemy or a competitor.
 - For example, India's concurrent diplomatic ties with Iran; while pursuing strong relationships with US, Saudi Arabia and Israel (all of them consider Iran as an outcast).
- **Need for Multi alignment:** Today's world is characterized by complex interdependence (where countries are competing on geostrategic issues and cooperating on geo-economic issues) and hence Indian foreign policy requires **strategic hedging**.
 - For example, due to strategic autonomy India has maintained strategic defence relation with United States as well as it is keen to put forward S-400 deal with Russia.
- **Need for greater realism in policy:** India has realized that soft power diplomacy alone is not sufficient for protecting the country's interests and there is a **need for realism as well as pragmatism** in Indian foreign policy.



o For example, India's early misreading of Pakistan's and China's intentions (Indo-Pak war 1948 & Sino-India war 1962) led to Gilgit-Baltistan & part of Kashmir and Aksai Chin region now being under the effective control of Pakistan and China respectively.

Challenges to Strategic Autonomy

- Hostile Neighbors: Pursuing policy of Strategic Autonomy requires no unsettled international borders or no hostile neighbors.
 - o In case of India, China-India as well as India-Pakistan border is long, mountainous and long disputed and both are nuclear powered nations.
- India's dependence on western countries: India needs technology, capital, markets, skills, defence equipment, international networking, and global cooperation to resolve global issues. But critical or sensitive technology can come only at the behest of compromising strategic autonomy.
- American unreliability: US sanctions on countries where India has a stake often compromise its policy of Strategic Autonomy.
 - For example, The North-South Transport Corridor (NSTC) with Iran has stalled due to the US's secondary sanctions threats, which also adversely affects Indian policy towards Afghanistan or unexpected violation of the India's exclusive economic zone by US during a recent "freedom of navigation" operation (FONOP) in the Indian Ocean.
- Rise of Russia-China-Pakistan axis: A de facto Russia-China-Pakistan (RCP) strategic axis has emerged in recent years which has made balancing act a difficult one for India.
 - For example, Russia has now promised a \$14 billion investment in Pakistan's energy sector including \$2.5 billion for the North-South (TAPI) pipeline project.
- **China's dominance in South-Asia**: Another change since 1971 is that China has developed significant relations, chiefly economic, with India's neighbors.
 - Hence, apart from Bhutan, India's immediate neighbors generally find India overbearing and try to engage with China.

Way forward

- Pursuing Independent Foreign policy: The policy of Strategic Autonomy should be used to enhance India's strategic space and capacity for independent agency, allowing maximum flexibility and maneuverability to increase the options for New Delhi's choices to promote and protect its interest.
- **Issue based alignments:** Ridding itself of its non-aligned past, India should focus on "alignment based on issues" rather than ideology, thereby maintaining "decisional autonomy".
- **Balancing China's rise**: The logic of strategic autonomy from China nudges India to look for strong security partnerships with the US, Europe, Japan and Australia.
 - On the economic front, India is exploring various forms of collaboration with a broad group of nations that have a shared interest in developing trustworthy global supply chains that are not totally tied with China.
- **Defence Indigenization**: India is dependent on many foreign players (like U.S, Russia etc.) for its defence requirement, this may not pave well in national interest. Even it assumes more significance, especially in the context of counterbalancing China.

To conclude, in this phase of geopolitical transformation, India needs to follow an approach of working with multiple partners on different agendas like Climate Change, Terrorism etc. and hence **Sabka Saath, Sabka Vikas, Sabka Vishwas** is relevant in foreign policy. In some ways, the contemporary shift from non-alignment to strategic autonomy in India is simply a case of the catching up to reality in a multipolar world order. On the lines of **Aatmanirbhar Bharat**, India should pursue an Independent Foreign policy in order to secure its interest and fulfill its global aspirations.

6.4 SOFT POWER DIPLOMACY

Why in news?

India has been ranked 36th in Global Soft Power Index 2021.

Soft power

- Soft power is the ability to affect others to obtain the outcomes one wants through attraction rather than coercion or payment. A country's soft power rests on its resources of culture, values, and policies.
- Soft power as a tool for foreign policy was conceptualized by Joseph Nye in the 1990s.



India's Strengths as a Soft Power India's long history, culture and civilization Presence of all the major religions of the world Yoga and Meditation Music, dance, art and architecture Bollywood Indian Cuisine Indian Diaspora as NRIs and PIOs

Challenges in leveraging Soft power potential

- Much of India's soft power, and the ability to deploy it, is **autonomous of the government**, which limits the extent to which soft power can be actively harnessed.
- India lacks an appropriate institutional ecosystem to harness soft power and further its interests in the international sphere.
- Indiscriminate pursuit of political consolidation and resulting interference in the cultural and social lives of its citizens affects domestic social harmony and the foundations of the country's soft power.

Initiatives taken by India to leverage its Soft power

- 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) to develop "**soft power matrix**" to measure the effectiveness of India's soft power outreach.

Increased budgetary allocations to the Indian Council for Cultural Relations (ICCR), the nodal government agency responsible for India's soft power projection.

6.4.1. RELIGION AS A TOOL OF SOFT POWER DIPLOMACY

Why in news?

A virtual exhibition on the shared Buddhist heritage of the Shanghai Cooperation Organisation (SCO) countries was launched by India's Vice-President during the virtual meeting of the SCO.

More about news

- This online international exhibition is **curated by the National Museum, Delhi**.
- This exhibition provides an opportunity for visitors to access, appreciate and compare Buddhist art
 antiquities from SCO countries on a single platform and from the comfort of their home.



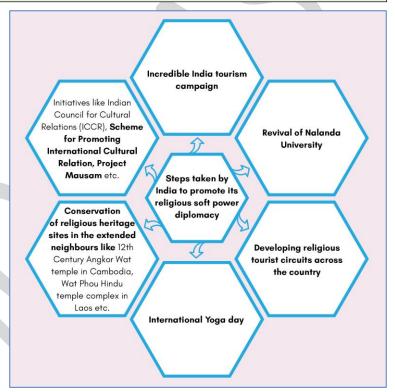
Importance of religion in India's soft power diplomacy

- India's religious diversity is its biggest strength: India is fortunate to have all the major religions of the world. Four are homegrown: Hinduism, Buddhism, Jainism and Sikhism. Four came from outside: Zoroastrianism, Judaism, Christianity and Islam.
 - Also, unlike any other religionbased countries, people of various sects and religions live peacefully.
 - This adds to the incentives for the religiously minded people living across the globe to have a positive attitude towards India.
- Role in its policy: India's Look East Policy is being built up by emphasizing India's historical links with Buddhism.
 - o India has sought membership to the Organisation of Islamic Cooperation (OIC) on the grounds that it has the 2nd largest Muslim population in the world.
 - Reputation for being a safe haven for Jews at a time of their prosecution in their native lands provides the foundation to strong India-Israel relationship.
- Religious diplomacy has been integral to India's tradition: The principle of "Vasudhaiva Kutumbakam ('the whole world is but one family) was enshrined in Maha Upanishad. Ashoka sent Buddhist Missionaries to far off places such as Ceylon, Egypt, Macedonia, Tibet, etc. The address of Chicago

Buddhism & India

India claims legitimacy in its promotion of Buddhist diplomacy in spite the fact that it is host to a relatively small population of Buddhists due to following reasons-

- **Buddhist faith originated in India**, therefore granting it singular historical legitimacy.
- India has **numerous sites of importance** to the Buddhist faith, such as Bodh Gaya, Sarnath, and Nalanda.
- India has nurtured an **image of being a protector of the persecuted** through the presence of the Dalai Lama and the Tibetan parliament-in-exile in Dharamshala.
- Historical links to Theravada Buddhism mean that India is in a good position to further relations with other Buddhist countries and create conversation between multiple streams of this faith.
- Successfully leveraging these associations with other Buddhist countries could have an impact beyond the realm of cultural diplomacy, and aid in other areas of foreign policy as well.



Parliament of Religions in 1893 by Swami Vivekanad brought the much-needed recognition and respect for India particularly its culture and traditions.

• Religion is a cohesive bond for Indian subcontinent: Various religions of India help it to connect with all the neighboring countries. Thus, religions provide south Asia its unique identity.

What are the challenges being faced by India in projecting itself as a leader in religious soft power diplomacy?

- China is emerging as a competitor: The Chinese state promotes the religion of Buddhism on the grounds
 of its historical association, and the fact that it also possesses the largest Buddhist population of any
 country in the world.
 - It is also working through different projects (such as the US \$ 3 Billion Lumbini project in Nepal) to woo countries having a significant amount of Buddhist population through its Belt and Road Initiative (BRI) projects.
- Structural loopholes in the efforts to propagate India's culture: The performance of the Indian Council for Cultural Relations (ICCR), with centers in about 35 countries and aimed at promoting Indian culture, has been lackadaisical. India has failed to build its brand value abroad. These centres are still aimed at the diaspora (like Caribbean, South Africa), ignoring strategic and growing relationships with other countries and regions.



• **Strict visa rules:** In South Asia, citizens of only Nepal, Bhutan, and Maldives are eligible for visa-free travel to India. This acts as a hurdle in leveraging India's enormous cultural assets and religious heritage by reviving intra-regional tourism flows.

What India should do to make its religious soft power diplomacy effective?

- Needs to have a people centric approach for leveraging religious diversity: Satyagraha based on non-violence propagated by Mahatma Gandhi reached across the globe without any support of British Indian government. Similarly, Yoga, Meditation, Indian Classical Music and Indian spirituality was accepted by youth in western countries during 1960's Hippie movement without any active role of the Indian government.
- **Soft Power dissemination should be neutral**: There should not be any reference to our interests while propagating our civilization and cultural heritage. This is because using Soft Power to achieve specific goals is a contradiction in terms and can be counter-productive.
- **Economic vibrancy must be maintained and enhanced** as soft power assets per se do not translate into policy gains. For example, despite having strong religious linkages with countries in Indian Ocean region, (India's relations with these countries are affected negatively due to the growing clout of China. A vibrant economy would help India counter China's development projects under its BRI.
- Celebrating values of other countries: One way of winning hearts and minds is to celebrate the values of others. ICCR's objective is to not only promote Indian culture abroad but also make Indians aware of other cultures. Care has to be taken that this is done without even a hint of condescension or patronizing.

Conclusion

Religious tolerance and secular values provide India an edge in global diplomacy particularly over China. In the saga of Buddhist soft power diplomacy, China will be struggling because of its treatments of Tibetan Buddhist during Cultural Revolution and the occupation of the territory. Treatment to Uighur Muslims will make it difficult for China to win the hearts and minds of Islam followers.

6.4.2. SPORTS DIPLOMACY

Why in news?

Sports, over the past few years, had developed into a vibrant field and a tool to materialize the nation's agenda and sports diplomacy has a global impact.

Sports as a soft power tool of foreign policy

- Sports is a **global cultural and political institution**. It surpasses linguistic, socio-political, cultural, and cross-border differences and enable different nations to unite at one platform and emphasizes on the aspect of unity and integrity among the people.
- Sports-diplomacy falls under the wide umbrella of public diplomacy. It involves representative and diplomatic activities undertaken by sports people and sporting events to engage, inform and create a
 - favourable image among foreign publics and organisations, to shape their perceptions in a way that is (more) conducive to the sending government's foreign policy goals.
- The sportsmen are often seen as harbingers of peace and harmony. Sports therefore establishes a mutual association which helps in resolving gigantic political issues as well.
- The use of sports for public diplomacy goes back to ancient Greece's city-states and their

India and sports diplomacy

- India has been inclined to sports diplomacy since independence and
 use it as a tool to showcase its foreign policy and to settle various
 disputes. Cricket is the strength of Indian sports and cricket
 diplomacy played a crucial role in the political history of South Asia:
 - India & Pakistan have bilateral contracts over cricket matches & cricket becomes an important point in bilateral talks between these countries & it is mooted to be a part of diplomacy between these two countries.
 - There was a significant rise in the Indian economy after the creation of the Indian Premier League (IPL) in 2008 as it was a major source of representing India's soft power.
 - o Indian **boycotted cricket in Sri lanka** during LTTE struggle.
- India also **boycotted the Davis Cup (Tennis) final** against South Africa due to its opposition to apartheid policy.

engagement in athletic competitions in Olympia. In modern times, although the purpose of sports diplomacy has somewhat remained intact the way it's practised has changed and today it is a **means to display country's position in international politics.**



Shortcomings & Critiques against Sports Diplomacy

Sports diplomacy is being accused of several grave implications across the world:

- Political opportunism: Political parties in an eagerness to woo their supporters ban several sporting events in warring countries. Ill-judged bans on sporting events devalues a tournament by robbing the spectators of participation by skillful players.
 - For instance, In 1980, the US boycotted Moscow games because of Russian intervention in Afghanistan.
- Lack trust building: Diplomatic meeting conducted in the media and public glare is anathema to sound diplomacy, which requires privacy to breed trust and build relations.
- Sports can only temporarily transcend divisions in society.

International Olympic Committee (IOC) in sports diplomacy

IOC is showing two extremes, one side is appreciated worldwide and the other is questionable.

IOC being an undemocratic, unelected body often get criticised for:

- Recognising states that have not yet been internationally recognized by the United Nations. For instance recognizing East Germany and Kosovo.
- Telling a national, sovereign state what to do in the name of sport: For instance, when a country wishes to host an Olympic event, it has to subscribe to specific rules set down by the IOC which includes altering the legal infrastructure to accommodate labour and taxation regulations.

However, the purpose of Olympic games is to spread the philosophy of creating a peaceful and better world. Accordingly, **IOC** has also stood up for social causes to advocate its stand:

- In past, the nations which were engaged in a war-like situation or violated human rights were banished from the games.
 - For instance, In 1948, after World War II, Germany and Japan were banned due to their inhumane treatment of prisoners of war. Russia was banned from 2018 Winter Olympic as it was found guilty of state-sponsored doping.

Conclusion

Governments across the world should realize that if executed clearly, sports can become a great helping tool in easing out confrontations & distances.

6.5. INDIA AND NUCLEAR DISARMAMENT

Why in news?

UN General Assembly adopted two resolutions which were sponsored by India – 'Convention on the Prohibition of the use of Nuclear Weapons' and 'Reducing Nuclear Danger' under the 'Nuclear weapons' cluster. These resolutions manifest India's commitment towards the goal of nuclear disarmament.

About the resolutions

- Prohibition of the use of Nuclear Weapons", tabled by India since 1982 in the General Assembly requests the Conference on Disarmament in Geneva to commence negotiations prohibiting the use or threat of use of nuclear weapons under any circumstances.
- The resolution on "Reducing Nuclear Danger", tabled since 1998, draws global

About Nuclear Disarmament

- Nuclear disarmament (also called as denuclearization) is the act of reducing or eliminating nuclear weapons to achieve a nuclear-weaponsfree world (NWFW).
- Since the U.S. bombings of Hiroshima and Nagasaki in 1945, the catastrophic effects of nuclear weapons have motivated the world to pursue arms control and disarmament measures to reduce the threat of nuclear weapons use.
- The United Nations sought to eliminate Nuclear weapons in the first resolution adopted by the UN General Assembly in 1946.
 - The resolution established a Commission to deal with problems related to the discovery of atomic energy among others and also decided that the Commission should make proposals for "the elimination from national armaments of atomic weapons and of all other major weapons adaptable to mass destruction."

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.

attention to the risks of unintentional or accidental use of nuclear weapons and underscores the need for a review of nuclear doctrines. It calls for concrete steps to reduce such risks, including through de-alerting and de-targeting of nuclear weapons.



India's role in global nuclear disarmament

India has always been an ardent supporter of multilateral nuclear disarmament and non-proliferation efforts.

In 1965, India was one amongst the Eighteen Nation Disarmament Committee (ENDC)

 advocated for de-linking disarmament and non-proliferation. India Opposed signing the Treaty on the Non-Proliferation of Nuclear Weapons (NPT)

India views NPT as discriminatory as it divides the world into "nuclear haves" and "nuclear have-nots'. In 1988, India proposed Rajiv Gandhi Action Plan in UN General Assembly Special Session on Disarmament

It is a comprehensive proposal for "complete and universal nuclear disarmament" India has not signed the Comprehensive Test Ban Treaty (CTBT)

India says that the treaty fails to include a commitment by the nuclear-weapon States to eliminate nuclear weapons within a time-bound framework.

India observed a voluntary nuclear testing moratorium since 1998.

India as a driving force for attaining universal, complete and non-discriminatory disarmament

In 2003, India released its Nuclear doctrine

India asserted its continued commitment to the goal of a nuclear weapon free world through global, verifiable, and non-discriminatory nuclear disarmament. India opposed the recent enforcement of Treaty on Prohibition of Nuclear Weapons (TPNW)

India believes it is not a comprehensive instrumen on disarmament as it excludes the verification of nuclear armaments. India supports Fissile Material Cut-Off Treaty (FMCT) that is being negotiated in Conference on Disarmament

▶ FMCT is a proposed international agreement that would prohibit the production of the two main components of nuclear weapons: highly-enriched uranium (HEU) and plutonium.

NDIA'S NUCLEAR DOCTRINE

Building and maintaining a credible minimum deterrent.

A posture of "No First Use".

Nuclear weapons will only be used in retaliation against a nuclear attack on India.

Non-use of nuclear weapons against non-nuclear weapon states.

Nuclear weapon free world through global, verifiable and non-discriminatory nuclear disarmament.

Nuclear retaliation to a first strike will be massive and designed to inflict **unacceptable damage**.

Challenges for India's vision of Nuclear Disarmament

- Emerging Realities:
 - Ongoing Modernization of Nuclear weapons: All the nuclear states are either developing or deploying new weapon systems or have announced their intention to do so. For example-US is making a Miniaturised nuke which will ensure shrinkage of power and enable tactical applications, China and Russia are developing hypersonic glide vehicles.
 - o **China's expansionist nuclear policy:** China's rejection to join multilateral discussions on a possible post-INF mechanism and the worsening of relations of the West with China and Russia, as well as the growing adversarial nature of relations between India, Pakistan, and China will likely mean that the pace of nuclear modernization and expansion will continue.
 - Nuclear Activism in Indo-Pacific region: It is difficult to uphold the policy of nuclear disarmament with global power shift to Indo-Pacific region and when the Quad is lobbying to counter Chinese expansionism in this region.



- Lack of consensus among major nuclear powers
 - The USA withdrew from the Intermediate-Range Nuclear Forces (INF) Treaty, 1987 and Russia formally suspended its obligations under it.
 - Uncertainty over continuation of Further Reduction and Limitation of Strategic Offensive Arms (New START) treaty between Russia and US beyond February 2021.
 - Discussions on denuclearization between the North Korea and the USA lost traction during 2019 and by the end of 2019 the Iran nuclear deal (2015 Joint Comprehensive Plan of Action) was largely nonfunctional.
- Global perception for India: Even as India's dominant assumption of its nuclear weapons has been determined by the effectiveness as a deterrence mechanism, the international community, from time to time, finds discrepancies in India's ideology and its ability to actively promote nuclear disarmament (even if it is not actively increasing it either).
- India's regional security dilemma: Consideration of regional developments (such as Pakistan's
 development of tactical nuclear weapons and its close relationship with China) in India's defence policies
 is although detrimental to India's quest for a Nuclear Weapon Free World (NWFW) but cannot be
 downplayed in the context of regional stability.

What can be done to reignite nuclear disarmament?

To eliminate nuclear weapons, the international community may take the following steps:

- Role by major nuclear powers: The nuclear-weapon States bear special responsibility for nuclear
 disarmament and should continue to reduce drastically their respective nuclear arsenals on the principle
 of irreversibility.
- Renunciation of Nuclear deterrence policy: All the nuclear-weapon States should renounce the nuclear
 deterrence policy based on the first use of nuclear weapons and conclude an international legal
 instrument to such effect.
 - ✓ Also, there should be no use of nuclear weapons against non-nuclear-weapon States or nuclear-weapon-free zones, and a relevant international legal instrument should be concluded.
- Creation of nuclear-weapon-free zones: All the nuclear-weapon States should support the efforts to
 establish nuclear-weapon-free zones, respect the status of those zones and assume the relevant
 obligations.
- **Denuclearization**: Based on the above-mentioned efforts, a convention on the **complete prohibition of nuclear weapons** could be negotiated.

Conclusion

The non-proliferation and global disarmament discussions require a monumental shift towards more dialogue. The lack of concrete responses from the nuclear powers has perpetuated a gridlock situation. This provides **India with an opportunity to articulate the pertinence of non-proliferation and disarmament dialogue,** which can also strengthen the credibility of India as a responsible stakeholder in the regional and global nuclear context.

Key Treaties for Nuclear Disarmament, Arms Control and Non-Proliferation

- Partial Test Ban Treaty (PTBT), 1963: It prohibits testing of nuclear weapons in the atmosphere, in outer space, under water, or in any area within a state's territory that would cause radioactive fallout outside the state's territory.
- Treaty on the Non-Proliferation of Nuclear Weapons (NPT), 1970: It is the only binding commitment in a multilateral treaty to the goal of disarmament by the nuclear-weapon States.
 - o Its objective is 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.
- Comprehensive Nuclear-Test-Ban Treaty (CTBT): It is an international treaty that bans all nuclear explosions in all environments. It opened for signature in 1996, but has not yet entered into force.
- Treaty on the Prohibition of Nuclear Weapons (TPNW): It is a legally binding instrument to prohibit nuclear weapons, leading towards their total elimination.
 - o It includes a comprehensive set of prohibitions on participating in any nuclear weapon activities which include undertakings to develop, test, produce, acquire, possess, stockpile, use or threaten to use nuclear weapons.
- Other agreements/groups which seek to prevent the proliferation of fissile material, nuclear weapons and their delivery vehicles are: Nuclear Suppliers Group, the Missile Technology Control Regime, the Hague Code of Conduct against Ballistic Missile Proliferation, and the Wassenaar Arrangement.



6.5.1. TREATY ON PROHIBITION OF NUCLEAR WEAPONS (TPNW)

Why in news?

The UN Treaty on Prohibition of Nuclear Weapons (TPNW) entered into force in January 2021.

More about News

- This treaty was officially adopted in 2017 due to efforts by International Campaign to Abolish Nuclear Weapons (ICAN).
 - ICAN is an international coalition of NGO's running the campaign to advocate United Nations Weapon Ban treaty in about 100 countries.
 - At present, 86 member-states have signed the Treaty, and 51 of them have ratified it.
- US, Russia, China, Britain, France, India, Pakistan, North Korea and Israel (countries possessing nuclear weapons) and NATO alliance did not support it.
 - India believes that the treaty does not constitute or contribute to the development of customary international law, nor does it set any new standards or norms.
 - India supports the commencement of negotiations on a comprehensive Nuclear Weapons Convention in
 - the Conference on Disarmament, which is the world's single multilateral disarmament negotiating forum working on the basis of consensus.

Significance of TPNW

 Closes legal gap: TPNW strengthens the provisions of the 1968 Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and provides a framework for

countries worldwide to eliminate nuclear weapons by closing legal gaps.

- Victim assistance and remediation: In addition to the Treaty's prohibitions, States Parties are obligated to provide victim assistance and help

 Challenge

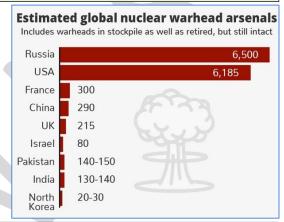
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- to the Treaty's prohibitions, States Parties are obligated to provide victim assistance and help with environmental remediation efforts by cleaning up environments contaminated by nuclear testing.
- Message to nuclear power countries: Creating a global opinion against the acquiring nuclear weapons helps to expose dangerous belief that
 - the possession of nuclear weapons can provide them security, also gives notice to the established nuclear powers that they have lost the moral right to keep nuclear weapons.

Humanitarian consequences: Nuclear weapons should be banned because they have unacceptable

• Catalyst to young generation: In the era of globalisation of protest movements, the TPNW can act as a catalyst to organise the younger generation of the world in delegitimising nuclear weapons and disassociate themselves from any activities assisting nuclear weapons production.

TPNW prohibits States Parties to

- Develop, test, produce, manufacture, otherwise acquire, possess or stockpile nuclear weapons or other nuclear explosive devices;
- Transfer to any recipient whatsoever nuclear weapons or other nuclear explosive devices or control over such weapons or explosive devices directly or indirectly;
- Receive the transfer of or control over nuclear weapons or other nuclear explosive devices directly or indirectly;
- Use or threaten to use nuclear weapons or other nuclear explosive devices;
- Assist, encourage or induce, anyone to engage in any activity prohibited to a State Party under this Treaty;
- Allow any stationing, installation or deployment of any nuclear weapons or other nuclear explosive devices in its territory.



How the TPNW is different from NPT?

- TPNW prohibits nuclear weapons outright, comprehensively, for all States Parties, irrespective of whether they possess nuclear weapons, while in the NPT, the non-nuclear-weapon States forsake the option of developing nuclear weapons.
- TPNW focused on prohibition of the use of nuclear weapons, while the NPT is focused on the transfer, manufacture and acquisition of these weapons.
- **TPNW complements and supports the NPT's nuclear disarmament** and non-proliferation objectives to pursue negotiations on effective measures for nuclear disarmament.
 - Challenges for the treaty
 - Questionable efficacy: None of the current nine nuclear-armed states including five permanent members of the U.N. Security Council (P5) support the treaty or have signed it.
 - Lack of clarity on technical grounds, such as the type of nuclear weapons the Treaty covers or how it would relate to other global treaties covering nuclear weapons' control or proliferation.



6.5.2. INDIA'S CIVIL NUCLEAR CO-OPERATIONS

Why in news?

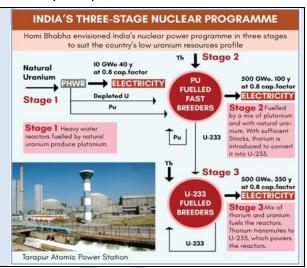
India and the US have extended the memorandum of understanding for cooperation on nuclear energy by another decade.

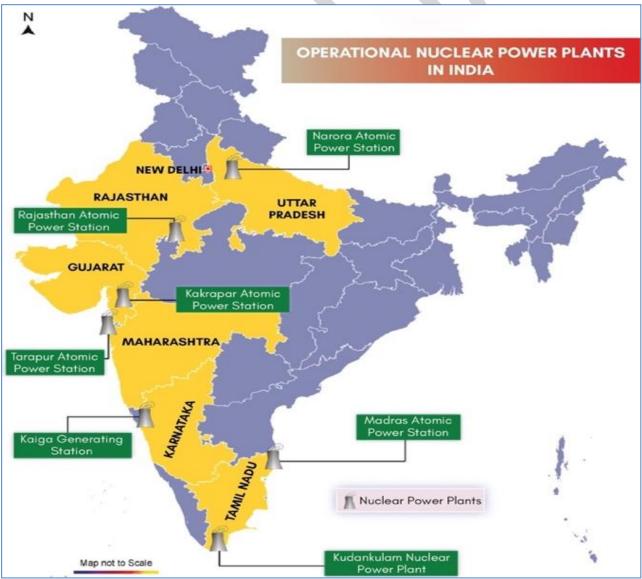
Also, Russian nuclear major **Rosatom** began construction of **Kudankulam Nuclear Power Plant (NPP)** Unit 5 in India in cooperation with **Nuclear Power Corporation of India Ltd (NPCIL).**

India's Nuclear Energy Architecture

India has a 3-stage nuclear energy program which is based on a closed nuclear fuel cycle-

- Stage-I: Natural uranium fuelled Pressurised Heavy Water Reactors (PHWRs).
- Stage-II: Fast Breeder Reactors (FBRs) utilising plutoniumbased fuel.
- Stage-III: Advanced nuclear power systems for utilisation of thorium.







Background of India's civil nuclear cooperation



- Aim to develop mutually beneficial economic, scientific and technical cooperation for the peaceful uses of nuclear energy.
- > Civil nuclear agreements with 14 countries despite India not being a signatory to the NPT and part of NSG.

Major civil nuclear energy cooperation program

- > India-France: 2008, 1st country.
- > India-Russia: 2008
- **▶** US-India civil nuclear agreement (123 agreements)
- >> India-Japan





Significance of these agreements for India



- To supplement its growing energy demands. Important and cleaner option.
- Sustainable harnessing of energy: For long-term planning and collaboration.
- Developing technological capabilities: To utilize reserve of Thorium.
- Asserting its leadership position in the changing global order.

INDIA'S CIVIL NUCLEAR CO-OPERATIONS AT- A- (G) GLANCE



Challenges



Way forward

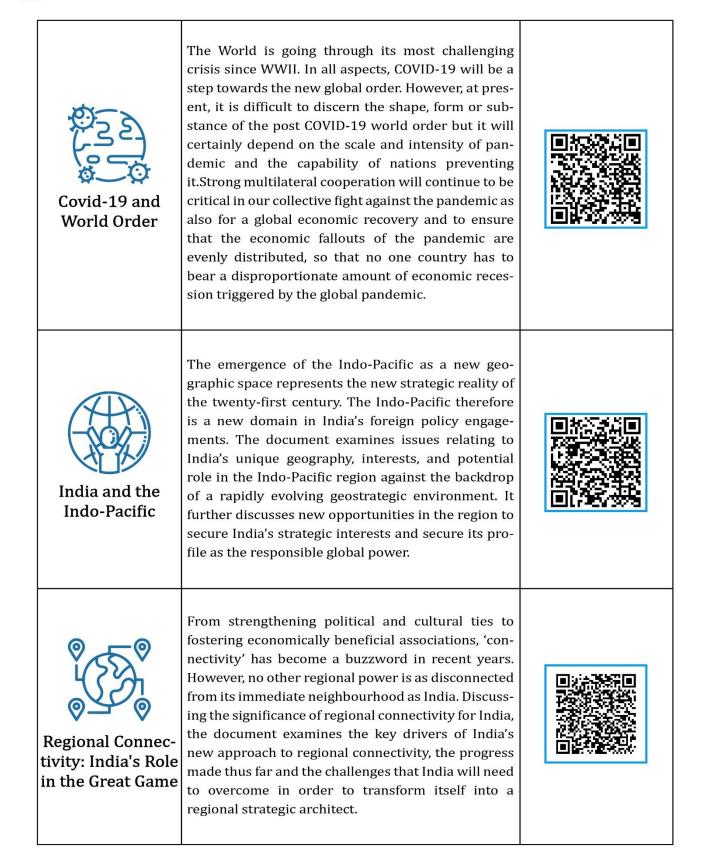
- India's status as a non-signatory to the NPT: Barrier to realise the full potential.
- Issue of civil liability: Lack of adequate compensation for the victims of the Bhopal gas tragedy, there is apprehension.
- Protests in the domestic front: Issues like diversion of water to the plants, environmental degradation, land acquisition, etc.
- Safety of nuclear and non-nuclear materials: Threat of nuclear disasters like Chernobyl and Fukushima.
- Taking global leadership role: Undertake a proactive role in establishing and improving global mechanisms.
- Addressing Global Concerns: Undertake public outreach efforts.
- Outlining civil nuclear engagement policies as well as India's own nuclear security policies.
- Ensuring Nuclear Liability: The application of international liability frameworks.
- Ensuring Safety: Public participation at the domestic level, etc.
- Environmental Impact Assessment, emergency plans prepared by the Atomic Energy agencies, etc.



WEEKLY FOCUS INTERNATIONAL RELATIONS

TOPIC	DESCRIPTION	LEARN MORE
India and United Nations Security Council (UNSC) Reforms	As UNSC reaches 75th year of its genesis in 2020, its reformation is considered inevitable for survival of multilateralism. India along with othercountries has been fighting for reforms in the UNSC because of the changing economic and political landscape at the global level. Although, India has significant global support, it will have to overcome significant challenges to achieve its desired goals at the multilateral level.	
India's economic engagement with China	India-China relations have always had a difficult terrain from border disputes to disagreements at multilateral levels. Also, India has been showing negative balance of trade in its bilateral trade with China. However, the anti-Chinese sentiments need to be explored in light of various important aspects of India-China economic, trade and technology relations. Understanding the balance between global economic engagement and embracing Atmanirbhar Bharat holds the key.	
Globalisation Ending or Transforming?	It is true that nationalism and protectionism are on the rise; however, Globalization may not be ending but merely changing. The major shifts underway in technology, geopolitics, environment and society are combining to give birth to a new phase of globalization – Globalization 4.0 – whose trajectory will depend in large measure on how well governance at multiple levels – governmental, corporate and international – adapts to these changes. Strengthening our governance architecture to ensure its effectiveness in this new era will require deeper engagement and heightened imagination by all stakeholders, beginning with robust and sustained dialogue among them.	





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10 IN TOP 10 SELECTIONS IN CSE 2020

from various programs of Vision las



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ANKITA JAIN (ALL INDIA TEST SERIES)



YASH **JALUKA** (ABHYAAS



MAMTA YADAV (ALL INDIA TEST SERIES)



MEERA κ (ALL INDIA TEST SERIES)



KUMAR (ALL INDIA TEST SERIES) ESSAY TEST, ABHYAAS, PDP)

PRAVEEN



NAGJIBHAI (GS FOUNDATION BATCH CLASSROOM STUDENT)



APALA **MISHRA** (ABHYAAS TEST SERIES)



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