India and the Global Scene

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Mrs. Bhatia, Anand, Shyam and other members of the Bhatia family, Shri Rasgotra and members of the Prem Bhatia Trust, Ladies and Gentlemen.

Thank you for giving me the honour of delivering the Prem Bhatia memorial lecture this year. Looking at the list of distinguished speakers before me, I am humbled by your choice.

Prem Bhatia was that rare person who combined in himself the best of two worlds, journalism and diplomacy. We live in a time when every diplomat thinks he can be a journalist and every journalist thinks he can be a good diplomat. Prem Bhatia was the exception who proved that it is only given to very few special individuals to combine both. He was an exemplar both as a journalist and as a diplomat. Each of the newspapers (the the others) that Tribune, Statesman and he edited SO magnificently was the authoritative voice of that time. He brought that same quality to diplomacy as well. To read his accounts of PM Nehru's 1954 visit to China is a revelation, even at this distance in time. He did a great deal to stabilise our relationship with Singapore at a difficult time. The sound foundations that he laid in Kenya have given us a good, strong friend today. I will try to approach this lecture in the spirit of objectivity, precision, fairness and, above all, calm judgement that everything written by Prem Bhatia shows.

It was suggested to me, gently, that I might speak on India and the global scene. I will not inflict on you a compendium of Indian views and attitudes and relationships around the world – a sort of MEA Annual Report in a bad year with an uninspired author. What I would like to do is to look at the broader issue of how India relates to the world, of how we see our own role and place in the world and the international community. These are naturally a function of our own interests, the balance of power in which we operate and the international situation as we find it.

Today may be a good time to undertake such an exercise. On the one hand we hear outside voices urging India to be a "responsible" power, to do more in the international order, particularly in international security. Within India we increasingly hear loose talk of India as a superpower.

The issue is not the geopolitical importance of India – a country with 1/6th of humanity, a large and fast growing economy, situated in a vital spot on multiple political fault-lines, with a great civilisation and a consistent foreign policy. Such a country was bound to be a great power – great not merely in the UN sense of the word, but great in the sense in which Ashoka envisaged greatness.

How others see the prospect of India as a great power has always depended on how they see that prospect affecting their interest. The Soviet Union decided in the mid fifties that it was in their interest. The US has now recognised it as such. And China has been too clever to say.

The issue for Indians is what sort of power India should be, in her own people's interest.

<u>The Roots</u>

In one sense this is not a new discussion. We have been here before in the foundational period of the forties and fifties. In the fifties Nehru was accused of having too grand a vision of India's role and place in the world. Nehru's towering personality obscures the passion, logic and depth of that debate, particularly in the fifties. It was a debate about the very idea of non-alignment. It was a debate about whether values have a role in foreign policy. It was a debate about the economic autarchy we should seek, and about the very nature of our industrialisation. It was a debate about nuclear disarmament. And it expressed itself not only in Patel's famous letter to Nehru on China policy, but as early as Bose's Fascist approach, in the continuing internal debate on Pakistan policy, and in multiple Parliamentary debates on foreign policy. On most of these Nehru's choices have been vindicated by history.

Nehru's conception

At the very outset the interim government that he headed declared his approach to the world in brave words that said:

"We propose, as far as possible, to keep away from the power politics of groups aligned against one another, which have led in the past to world wars and may again lead to disasters on a even vaster scale. The world, in spite of its rivalries and hatreds and inner conflicts, moves inexorably towards closer cooperation and the building up of a world commonwealth. It is for this one world that free India will work." Opinion was divided at that time among contemporaries even in the USA about the merits of non-alignment. President Eisenhower once expressed the opinion in public that there was no need for the USA to take umbrage at India's policy of non-alignment, because for a hundred years the USA itself had remained nonaligned. (Its policy used to be to remain aloof from what George Washington called "entangling alliances".) Eisenhower also said that non-alignment as practiced by India and other countries, similarly placed, need not necessarily act to the detriment of American interests. This so upset Pakistan and some other US allies that Dulles soon declared pontifically that non-alignment is "short sighted and immoral".

Nehru was the first to see the strategic space that the Cold War opened up for the emergence of a third world, much against the wishes of the superpowers. And he chose to use it not for his personal glory or national interest narrowly defined. He used it for world peace and to create the peaceful environment that India's transformation required.

And most important, Nehru gave India a sense of destiny.

Nehru's was indeed a grand conception. The fact that it did not coincide with that of the two superpowers in a Cold War world did not make it wrong.

His conception led to some outstanding successes in foreign policy and development terms, but perhaps less so in terms of hard security as traditionally measured in military terms. India was largely instrumental in bringing about a ceasefire in Korea, and it was the Indian formula that solved the tangle regarding the repatriation of war prisoners and brought about the armistice. In Indo-China India played an unobtrusive but effective part in bringing about a political settlement after the battle of Dien Bien Phu. India's was a role that we can recall with pride in encouraging decolonisation, relaxation of tensions among the blocs, international disarmament, and the beginnings of multilateral attention to development.

In hindsight we might be accused of a misplaced faith in the multilateral approach and international organisations where we expended so much effort. We even took Pakistan's aggression in J&K to the UN, thinking the UN would come to a quick and proper decision. But the first act of the Security Council was to change the subject on the agenda from the "Kashmir Question" to "India-Pakistan question"! We had underestimated the protean forms of power politics. If the fifties were a period of fulfilment, the sixties were, on the whole, a period of disillusionment.

There is no question that in Nehru's time we were punching above our weight, measured strictly in realist balance of power terms. This was possible because of the strategic space that the Cold War opened up for us, and because of the eminent good sense and reasonableness of what Nehru was doing and advocating. During the fifties India stood higher in the world's (and her own) estimation than her strength warranted. During the sixties the reverse was the case. After 1971 there has been a greater correlation between India's strength and prestige, and this seems likely to continue for the foreseeable future.

Today's situation

I remind us of what must appear to be ancient history to most of this audience because of its relevance to us and some of our present confusions. Let us consider our situation today, and where our interests lie, seeing what sort of power India might aspire to be, namely, how we might best pursue our interests in today's evolving world situation.

<u>Our Interests</u>

I proceed from the assumption that our primary task now and for the foreseeable future is to transform and improve the life of the unacceptably large number of our compatriots who live in poverty, with disease, hunger and illiteracy as their companions in life. This is our overriding priority, and must be the goal of our internal and external security policies. Our quest is the transformation of India, nothing less and nothing more. If we have consistently sought to avoid external entanglements or outside restraints on our freedom of choice and action it is because we have been acutely conscious of this overriding priority and wanted nothing else to come in the way of its pursuit. This was and remains the essence of the policy of non-alignment. If we have sought the strategic autonomy that nuclear weapons bestow upon us it is to be able to pursue this goal without distraction or external entanglement. This is the touchstone against which policy should be measured both for desirability and effect.

How have we done in practice?

Not badly, when judged by the pace and nature of the development of India's society and economy. Only one other country, China, can be said to have drawn more people out of poverty largely as a result of her own efforts. Consider the statistics. In 1947 the average Indian lived for 26 years, only about 14% of us were literate, and we were one of the poorest

countries on earth with well over 3/4ths of our population in poverty. Famine was common, as was disease. Today our average life expectancy is over 65 years, 2/3rds of our population is literate, and (using similar relative yardsticks) around 1/5th of our population is poor. We feed ourselves and know how to control disease. This is a vast transformation, particularly when you also consider that our people can now choose their own rulers and have social and political opportunities that they never had before independence.

But the same statistics show that there is still a long way to go before we can say that all our people enjoy a satisfactory standard of living or are in a position to enjoy and exercise their rights and realise their full potential.

We need at least 15 years more of 9-10% growth if we are to abolish the mass poverty which still afflicts us. So, while India is already a major economy in terms of size and ability to influence prices and supply and demand in certain markets, it will still be a country of poor people with overwhelming domestic priorities for an extended period of time. This will certainly be true for the foreseeable future which is, at best, fifteen years.

Hence India's primary responsibility is and will remain improving the lives of its own people for the foreseeable future. In other words, India would only be a responsible power if our choices bettered the lot of our people.

Stating the obvious, you might think. But think this through. There are several significant corollaries to this simple sounding proposition. It is certainly not a recipe for turning our backs on the world and trying for pure autonomy. We tried that for a while and it led to a growth rate of 3.5%. Instead it implies the active pursuit of our interests in the world, always bearing in mind our goal. Here are some of the consequences of what that would mean in practice:

1. We need to work for <u>a peaceful periphery</u>. We have an interest in the peace and prosperity of our neighbours, removing extremism and threats from their soil, as we are doing successfully with Bangladesh, Sri Lanka and Bhutan. This is more than the negative interest in avoiding sources of terrorism, extremism and insurgency from cross border ethnicities or others. It is a positive interest in working together with our neighbours to realise the joint development of South Asia.

This is not to say that we do not need a secure peace to make development possible. We should need no reminding, having lost two Prime Ministers to terrorists. But our choices in that fight have been vindicated. For three decades we have faced a sustained campaign of cross-border terrorism and military aggression in Kargil. That campaign coincided with the period when India grew, changed, and accumulated power at a rate never before achieved in our history.

- 2. As a country lacking some of the <u>essential resources</u> for our continued development, (such as, oil, high grade coal, fertilisers, high technology and non-ferrous metals), it is essential that we work to ensure our continued access and build up our strategic stockpiles and alternatives. This requires a sustained cooperative engagement with the world, of the type that we are attempting in Africa and South East Asia and already have with West Asia. When we have physical access Central Asia too becomes important to us for this reason.
- 3. We have an interest in helping to create <u>an enabling</u> <u>international environment</u>. We have an interest in global public goods like a peaceful order, freedom of the seas and

open sea lanes. Over 20% of our GDP is now accounted for by our exports and our growth and survival depend on our imports of fertilizer, energy and capital goods.

- 4. We have a responsibility to build the <u>infrastructure in India</u> and our neighbourhood that enables us to pursue these goals. In this sense roads in the border areas, air, rail and sea connectivity with our neighbours, and economic integration in our extended neighbourhood all become strategic goals.
- 5. <u>Defence</u> becomes just that, defence not offense, unless offense is necessary for deterrence or to protect India's ability to continue its own transformation. We must develop the means to defend ourselves. To what extent we become a net provider of security in the Indian Ocean and our neighbourhood would depend on how it contributes to India's own transformation. As of now it is our appreciation that our nuclear deterrence is best maintained by a credible and assured retaliatory capacity, rather than a destabilising first strike doctrine.

You will notice that I have spoken of desirable outcomes, of goals that we should aim for so that we can make India the modern, prosperous, strong country that we all want. I have not spoken of the means, of the tools that we have to forge and improve, namely, our armed forces, our governmental structures, our national security organs, and so on. A review of our National Security System structures is presently underway. The Cabinet has asked a specially appointed task force to undertake this task. How we shape those instruments will depend on the task we have set ourselves as a nation and on the threats that we see to India's transformation.

What about our values you will ask. Do we not have a responsibility to spread democracy and fight for our values

abroad? Yes and no. Yes, if we have the means to actually ensure that we are able to spread them. And yes if having democrats as our neighbours contributes to the peaceful periphery that we need. But please remember that a people cannot be forced to be free or to practice democracy. They have to come to these values themselves if they are to be lasting. Such a crusade for one's values is often mistaken by others as the pursuit of self-interest couched in high tone words. We have seen how high sounding phrases like the "right to protect" are selectively invoked and brutally applied in the pursuit of self interest, giving humanitarian and international intervention a bad name.

[Perhaps one result of trying to spread one's values to other countries is for us to feel good and posture in front of our own people. But this is the worst form of hypocrisy. It also prevents a realistic understanding of the world we live in. It gets in the way of the pursuit of our real interests.]

It could be argued that I have outlined a very selfish policy, and that if every country were to follow such a policy, avoiding external entanglements and only taking what suits it from the international community, the world would actually end up poorer and less secure than before. It is true that absolute security for one country means absolute insecurity for all others. Extreme prosperity in some is at the price of the immiserisation of others. That is why it is also necessary to look at the sort of world we are living in and at the reactions that our pursuits will provoke from others.

The World Situation

We live for the present in a globalised world, which is increasingly tending towards multi-polarity, where power is more evenly distributed between and among states. There is no question that the world of 2011 is no longer as supportive of our transformation as in the nineties. The world economy has deteriorated in the last few years since the global financial and economic crisis of 2008. Pakistan and some areas west of her have declined into what appears to be chronic instability. West Asia is in turmoil. Technology has empowered small groups of radicals, extremists, hackers, pirates and terrorists, shifting the balance of power within states too. Between states, the rise of China has been magnified by a matching loss of Western will and economic confidence.

But attempting to predict the evolution of the world is risky and unlikely to be accurate. Let us instead look at the factors in the international situation that will affect our quest. In my opinion, three issues are likely to most affect our future ability to transform India.

1. The first is <u>the rise of China and Asia</u>. The facts are well known. What China achieved in the last thirty years is phenomenal. In thirty years China's economy has grown by a factor of very nearly ten. The IMF recently projected that it will be the largest economy in the world in just five years time. By 2035 China will use one fifth of all global energy. China, which used to be dependent on direct foreign investment, is now herself the investor with three trillion dollars of international reserves and a sovereign wealth fund with 200 billion dollars. She is about to overtake Germany in terms of new patents granted each year.

The world worries whether the powerful China that is emerging so rapidly will be a hegemon, or whether she will be one of several powerful cooperative states in the international order. Will she reorder international structures to suit herself, as the US did after WWII, and as other states have done in history? Or will she continue to rely on existing security and other structures that have worked so well for her, enabling her rise so far?

There are no agreed answers to these questions, in India or abroad.

India's interest is clearly in an inclusive world order, with China as one of its cooperative members. That is clearly what we need to work towards, along with China itself.

Bilaterally India-China relations today have elements of cooperation and competition at the same time. We have a boundary dispute, and overlapping peripheries in our extended neighbourhood, which is also China's extended neighbourhood. So long as both of us continue to be primarily concerned with our internal transformations, cooperate in the international arena on our common interests, and do not see the other affecting our core interests, we can expect the present relationship to continue as it is. But this will require much better communication between India and China, and no misunderstanding of each other's actions and motives.

of This also requires that some our media and commentators, whose unquestioned brilliance is regularly on display lambasting other countries for their politics and policies, learn the virtues of moderation. The Chinese cannot believe that these media and commentators do not speak authoritatively for the country, as does their controlled media and academia. We must recognise that other countries too could have similar imperatives as ours and their own reasons for what they do. And why create selffulfilling prophesies of conflict with powerful neighbours like China? (For me that is one of the lessons of the fifties that some of us are in danger of forgetting.)

2. The second is a clutch of <u>energy and technology related</u> <u>issues</u>. Energy security, climate change, renewable energy and so on. Most of these issues that will determine our success in transforming India are not amenable to just our actions. We need international partners, coalitions where possible, to deal with major economic or political issues. Consider inflation in India, which concerns each of us. Much of what we see today in India is caused by the massive injection of liquidity in the international economy by the USA, China and developed economies to promote their own recovery after the economic crisis of 2008, and the rise in oil and commodity prices that has followed. This effect has been compounded by events in the Middle East and the uncertainty that this has caused, particularly about future energy prices.

Technology issues include the new domains of space and cyber space and proliferation. These are new domains of contention where the old rules of engagement and war no longer apply. Just as the world had to learn new rules and ways of thinking about nuclear weapons, we are now at the beginning of doing so for outer space and cyber space, both of which are increasingly critical to our daily lives, economies and futures.

3. The third is <u>our internal cohesion and coherence</u>, namely, our success in meeting the formidable internal challenges that we face and will face in the foreseeable future. These include the social and other effects of rapid but uneven growth. Left Wing Extremism or Naxalism is one such challenge to our development strategy and to our state institutions. We cannot say that we know all the answers. What we do know is that neither the application of force alone nor a single-minded focus on development can solve the problem. Equally we now face new challenges of policing megacities and a population of which over 50% will soon be urban not rural. The defence of porous borders requires us to learn new rules for the use and combination of force, suasion and deterrence, alongside other more benign means of persuasion. Talk of strategic autonomy or of increasing degrees of independence has little meaning unless our defence production and innovation capabilities undergo a quantum improvement. A country that does not develop and produce its own major weapons platforms has a major strategic weakness, and cannot claim true strategic autonomy. This is a real challenge for us all.

<u>Conclusion</u>

So what does this add up to in terms of a global role for India?

This is not an argument for inward looking passivity. In fact it is just the opposite. You would notice that what I have listed as the likely determinants of India's success in transforming herself would all require us to work with external partners.

As a nation state India has consistently shown tactical caution and strategic initiative, sometimes simultaneously. The record bears this out. Non-alignment itself was an act of strategic courage. We kept our nuclear option alive despite the NPT and exercised it in 1998 when economically stronger countries could not. Since 1988 we have made considerable progress in our relations with China. The Indo-Soviet Treaty, the India-Sri Lanka Agreement of 1987, the India-Sri Lanka Free Trade Agreement of 2000, the India-US civil nuclear cooperation agreement, and so on. The list of our previous strategic initiatives is impressive. But equally, initiative and risk taking must be strategic, not tactical, if we are to avoid the fate of becoming a *rentier* state. That is why it is important to peg our goals and use of power to our immediate and overriding interest in our domestic transformation. In other words, our condition and the state of the world require us not to seek hegemony, or domination, or expansion, or strategic depth. None of these serve our basic interest, even in a defensive sense. Being a bridging power, or a swing state might, in certain circumstances.

What would this mean in practice? It means, for instance, that faced with piracy from Somalia, which threatens sea-lanes vital to our energy security, we would seek to build an international coalition to deal with the problem at its roots, working with others and dividing labour. Today the African Union has peacekeeping troops on the ground in Somalia. We could work with others to blockade the coast while the AU troops act against pirate sanctuaries on land, and the world through the Security Council would cut their financial lifelines, build the legal framework to punish pirates and their sponsors, and develop Somalia to the point where piracy would not be the preferred career choice of young Somali males. This is just one example of what such a policy could mean in practice.

In today's world we must also be ready to contribute within our capacity to the global public goods that are increasingly important to our well being, such as freedom of the seas. Are we ready to shape outcomes on critical issues such as energy security and in areas such as the West Asia? Not yet. We have internal hesitations due to what I would call the Partition syndrome and our fear of the communalisation of discourse. But more than that, our capacities, though growing, are still limited in certain fields critical to national security. As a result of sixty years of non-entanglement or non-alignment we have built a country whose influence is considerable in our immediate neighbourhood. As a result of our economic growth, we are heard with respect and consulted in global economic councils. The new central role of the G-20 is tribute to the shift in global economic power and interdependence. But political and military power is the core, and is something that existing power holders do not share voluntarily or easily. On the larger political issues of the day we are consulted and have views that matter. India's independence of action (or independent agency) has grown over time. In 1948 we went to the UN seeking help against Pakistani aggression in J&K. In 1971 we helped the people of Bangladesh to create their own state, using legitimate force in self defence and in the service of a clear and legitimate political goal. And in 2008, helped by the USA and major powers, the international community rewrote the rules for nuclear cooperation with India making an exception in our favour in the NSG. This is progress.

With time, our positive interests will grow and our horizons expand, as a responsible member of the international community.

As an old fashioned patriot I am confident that ultimately the Indian people, history and geography will prevail, as they always have.

To sum up.

For a considerable time to come India will be a major power with several poor people. We must always therefore be conscious of the difference between weight, influence and power. Power is the ability to create and sustain outcomes. Weight we have, our influence is growing, but our power remains to grow and should first be used for our domestic transformation. History is replete with examples of rising powers who prematurely thought that their time had come, who mistook influence and weight for real power. Their rise, as that of Wilhelmine Germany or militarist Japan, was cut short prematurely.

So at the risk of disappointing those who call on India to be a "responsible" power, (meaning that they want us to do what they wish), and at the risk of disappointing some of you who like to think of India as an old-fashioned superpower, I would only say, as Mrs Indira Gandhi once said: "India will be a different power" and will continue to walk her own path in the world. That is the only responsible way for us.