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## CHALLENGES OF INDIA'S GLOBAL EMERGENCE

### Abstract

India is emerging as a global economic power and expanding its military capabilities. Its maritime posture in the Indo-Pacific has made it an important stakeholder in the Asia-Pacific strategic ambiguity. The country is invited in almost all global forums and encouraged to play active role in the international affairs. These are some of the key indicators of India's global emergence. By contrast, India is yet to take strong footholds in several global issues, while negotiating with international powers e.g. the USA and China. Some major challenges of the global emergence of India are its foreign policy predicaments, neighbourhood compulsions and China bogey, compulsions of energy import, limits of its soft power capabilities, internal security threats and domestic underdevelopment. In this context, the two important research questions of this paper are: which factors indicate India as an emerging global power? And, what are the challenges for India's global emergence? The paper concludes that due to emerging economic and military power, India's role in the international arena are increasing, but the country faces both internal and external challenges to project itself as a global power.

### 1. Introduction

After 1990s, economic liberalisation involving globalisation process helped India to strengthen its engagement in the international affairs. During the Cold War, India played an important role to unite global South against imperialism and colonialism. India's global role was based on five principles, famously known as *Pancha-shila* : (a) mutual respect for each other's territorial integrity and sovereignty (b) non-aggression (c) non-intervention in other's domestic affairs (d) mutual respect and equality and (e) peaceful co-existence.<sup>1</sup> In the post-Cold War era, India's role in the World Trade Organisation (WTO) and global climate change negotiation shows its keenness to uphold interests of the developing world. Concurrently, India is emerging as an economic power globally. India's maritime posture in the Indo-Pacific has made it an important stakeholder in the global politics. Yet, India is facing some precarious challenges for its global emergence. These include India's foreign policy predicaments,

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<sup>1</sup> N. Jayapalan, *Foreign Policy of India*, New Delhi: Atlantic Publishers and Distributors, 2001, p. 54.

neighbourhood compulsions and China bogey, compulsions of energy import, limits of its soft power capability, internal security threats and domestic underdevelopment. Understanding the challenges and realising the emerging scenario are crucial in order to trace out where India is heading now.

It is in this context, the two important research questions of this paper are: which factors indicate India as an emerging global power? And, what are the challenges that may impede India's global emergence? In order to answer the questions, this paper reviews existing literature i.e. books, journal articles, reports, documents, formal studies or evaluations, newspaper clippings and reports appearing in the mass media. The paper is structured with four sections. Section one covers the introduction while section two elaborates the factors indicating India's emergence as global power. Section three identifies the challenges for India and Section four covers the concluding remarks.

## 2. Indicators of India's Global Emergence

India's global emergence in the twenty-first century has been envisaged by many scholars. For example, considering India's large population, expanding military power, spreading industrialisation, economic growth and insatiable desire for scientific knowledge, Johan Galtung envisages that India is on its way to super power status.<sup>2</sup> Henry Kissinger predicts that in the twenty-first century, international system will be dominated by six powers: the USA, Europe, China, Japan, Russia and probably India.<sup>3</sup> He identifies that the large size of India and its "experience with the multistate system", e.g. India's ancient culture and experience of British rule, will help the country to induce a foreign policy which can enhance its image globally.<sup>4</sup> Samuel P. Huntington foresees that in the coming decades, "India could move into rapid economic development and emerge as a major contender for influencing the world affairs."<sup>5</sup> Stephen P. Cohen identifies that India's economic development, democratic political system, cultural influence, geostrategic position and nuclear power indicate that it "has begun to overcome its many deficiencies and has discovered new strengths"<sup>6</sup> Baldev Raj Nayar and T. V. Paul have analysed India's foreign policy behaviour to be a major power and the emerging conflict between India and major powers.<sup>7</sup> They conclude that India's desire to be a global power is a "long but unfinished journey". A study by the Norwegian Ministry of Defence, with a purpose of understanding

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<sup>2</sup> Johan Galtung, "On the Way to Superpower Status: India and the EC Compared", *Future*, Vol. 24, No. 9, November 1992, pp. 917-929.

<sup>3</sup> Henry Kissinger, *Diplomacy*, New York: Simon and Schuster, 1994, pp. 23-24.

<sup>4</sup> *Ibid.*

<sup>5</sup> Samuel P. Huntington, *The Clash of Civilizations and the Remaking of World Order*, New York: Simon and Schuster, 1996, p. 121.

<sup>6</sup> Stephen P. Cohen, *India: Emerging Power*, Washington D. C.: The Brookings Institute, 2001, p. 298.

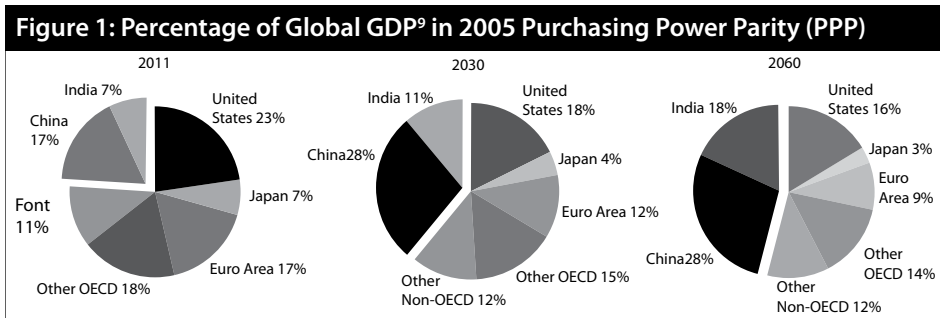
<sup>7</sup> Baldev Raj Nayar and T. V. Paul, *India in the World Order: Searching for the Major-Power Status*, UK: Cambridge University Press, 2003, p. 108.

India's potentials to become a global power, identifies that India's extensive military modernisation, regional security concerns and great power relations project it as an emerging global power.<sup>8</sup>

However, the components to be a global power are multidimensional. A number of indicators are underlined to measure India's global emergence by different scholars. In this section, the paper concentrates on four common factors to assess India's global emergence. These are India's economic power, expansion of military capability, maritime posture in the Indo-Pacific and its emerging role in international politics.

### 2.1 Emergence of India as a Global Economic Power

As an important economic power of Asia, India's contribution to the world gross domestic product (GDP), international goods and services trade as well as foreign direct investment (FDI) are recognised. As Figure 1 shows, in 2011 while India contributed only 7 percent of global GDP growth, in 2030 it could contribute 11 percent and in 2060 it could reach up to 18 percent.



Source: Organisation of Economic Cooperation and Development (OECD), 2012.

India is also being globally accredited by its growing contribution to large-scale human capital as well as inclusive research and development (R&D). India has been a dominant member of BRICS<sup>10</sup>. The economic development has given India a new extra-regional height to its other Asian competitors. Moreover, the growing presence of multi-national companies (MNCs) and middle-class in India has accelerated its goods and services demands. It has created an opportunity for India

<sup>8</sup> "India and the Future of Global Order", Ministry of Defence, Norway, 2009, available at [http://www.regjeringen.no/upload/FD/Dokumenter/India-studie\\_ssek\\_301109.pdf](http://www.regjeringen.no/upload/FD/Dokumenter/India-studie_ssek_301109.pdf), accessed on 15 June 2014.

<sup>9</sup> Global GDP is taken as a sum of GDP for 34 OECD and 8 non-OECD G20 countries.

<sup>10</sup> BRICS consists of Brazil, Russia, India, China and South Africa; it is an association of these five major emerging economies. BRICS members are developing and newly industrialising countries; they are distinguished by their large, fast-growing economies and significant influence on regional and global affairs. All the five countries are G-20 members.

to strengthen its global engagement and boost up economic specialisation both in advanced and developing states. In the first decade of twenty-first century, the Indian economy grew at an average rate of 7 percent yearly which helped the country to emerge as an important stakeholder in the global economy.

There are apprehensions that the European and the North American economic growth are going to be constrained by their fluctuating productivity, increasing debts, decelerating growth of labour force and aged populace. On the other hand, in line with the generalisations of Goldman Sachs, the Indian economy is growing more rapidly.<sup>11</sup> Goldman Sachs also expects India to be the third largest economy of the world, behind China and the USA, by 2050.<sup>12</sup> Ever-increasing MNCs and middle-class, encouraging demographics, both human and physical capital growth, flourishing information technology (IT) and service sector as well as economic specialisation would create prospects for sustainable economic development and growth in India. And it would, therefore, reduce per-capita income level gap between India and the developed economies.

## 2.2 Modernisation of Military Capability

With 1.3 million soldiers, the Indian army demonstrates remarkable power to protect the country from any external attack.<sup>13</sup> In recent times, the Indian army is not only defending the country from the external threats, but also internally fighting against insurgency and terrorism. India is now more capable to face its external and internal security challenges. At present, India stands as the third largest standing military of the world (Table 1).

| Country | Defence Spending US \$ in millions, 2013 | Defence Spending Per Capita, 2013 | Defence Spending % of GDP, 2013 | Number in Armed Forces (000), 2014 | Estimated Reservists (000), 2014 | Paramilitary (000), 2014 |
|---------|--|-----------------------------------|---------------------------------|------------------------------------|----------------------------------|--------------------------|
| The USA | 600,400                                  | 1,896                             | 3.70                            | 1,492                              | 844                              | 0                        |
| China   | 112,173                                  | 83                                | 1.24                            | 2,333                              | 510                              | 660                      |
| India   | 36.297                                   | 30                                | 1.84                            | 1,325                              | 1,155                            | 1,404                    |

Source: IISS Military Balance, 2014.

The modernisation process of the Indian army is multidimensional. Lieutenant General J. P. Singh, former Deputy Chief of the Army Staff, has described the modernisation of the Indian defence forces as:

<sup>11</sup> Goldman Sachs, "India Revisited", *White Paper*, June 2010, available at [http://www.goldmansachs.com/gsam/docs/instgeneral/general\\_materials/whitepaper/india\\_revisited.pdf](http://www.goldmansachs.com/gsam/docs/instgeneral/general_materials/whitepaper/india_revisited.pdf), accessed on 11 June 2014.

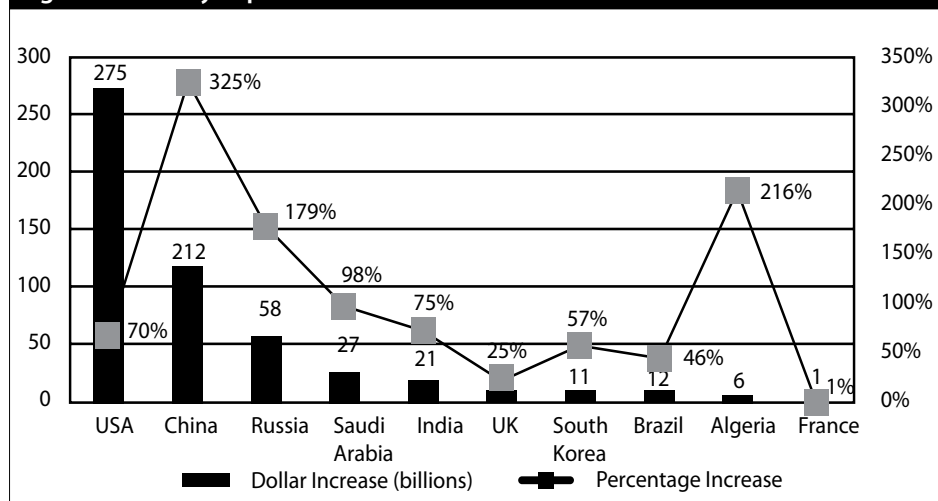
<sup>12</sup> *Ibid.*

<sup>13</sup> India faced war with Pakistan for four times: 1947, 1965, 1971 and 1999 and with China for once: 1962.

the critical capabilities that are being enhanced to meet challenges across the spectrum include battlefield transparency, battlefield management system, night-fighting capability, enhanced firepower, including terminally guided munitions, integrated manoeuvre capability to include self-propelled artillery, quick reaction surface-to-air missiles, the latest assault engineer equipment, tactical control systems, integral combat aviation support and network centrality.<sup>14</sup>

Since 2000 to 2012, India increased its military expenditure by 75 percent as shown in Figure 2.

**Figure 2: Military Expenditure Increase of Selected Countries: 2000-2012**



Source: SIPRI Military Expenditure Database, 2013.

Recently, India has commissioned aircraft-carrier INS Vikramaditya<sup>15</sup> and Light Combat Aircraft (LCA) Tejas. The former is the latest acquisition of the Indian Navy. INS Vikramaditya consists of “24 MiG-29K fighter jets and mix of 10 helicopters that might include Ka-28 helicopters ASW, Ka-31 helicopters AEW, ALH Dhruv choppers and SeaKing helicopters”<sup>16</sup>. On the other hand, Tejas is the first local light combat aircraft of India. With latest technology, it is a 4<sup>th</sup> generation aircraft which will be attributed in future by a stealth fighter as well as “digital fly-by-wire control system with glass cockpit

<sup>14</sup> “Modernisation Thrusts of Indian Army: Interview with Deputy Chief of Army Staff”, *CLAWS Journal*, Winter 2010, available at [http://www.claws.in/images/journals\\_doc/826070326\\_JPSinghCJWinter2010.pdf](http://www.claws.in/images/journals_doc/826070326_JPSinghCJWinter2010.pdf), accessed on 15 June 2014.

<sup>15</sup> India's first nuclear-powered ballistic missile submarine.

<sup>16</sup> Aditya Bhat, “To 10 Achievements and Developments of Indian Military in 2013”, *International Business Times* (India Edition), 13 December 2013, available at <http://www.ibtimes.co.in/top-10-achievements-and-developments-of-indian-military-in-2013-photos-532404>, accessed on 29 June 2014, p. 1.

having real-time information displayed on it.”<sup>17</sup> The LCA Tejas will also be equipped with BVR<sup>18</sup> missiles in future. Earlier, the government of India had commissioned INS Arihant (its updated version is INS Vikramaditya) to increase nuclear triad capacity and has currently added INS Vikrant, a local aircraft carrier equipped “with a 37,500 tonner with STOBAR feature with a ski-jump”<sup>19</sup>. It marked India’s capacity to assemble its own aircraft carrier. The INS Vikrant will be consisted of “12 Mig-29K and 8 LCA Tejas with other Ka-31 helicopters”<sup>20</sup>. India has deployed roughly fifty thousand Mountain Strike Corps, headquartered at Panagarh in West Bengal, along the entire LAC<sup>21</sup> with China, to rapidly strike nearby Tibet in case of any attack by China in Arunachal Pradesh. Besides, India has tested its more than 5000 km IRB<sup>22</sup> missile Agni V<sup>23</sup> nearby the coast of Odisha.

India has tested K-15 Missile<sup>24</sup>, while BrahMos SLBM<sup>25</sup> is on board to facilitate INS Arihant. Both India and Russia are jointly working on the BrahMos in developing the world’s fastest supersonic cruise missile. It is expected that such developments would strengthen naval ships as well as submarines of India. Again, Dhruv, a modern light helicopter squad, has been commissioned by the Indian Navy. Dhruv is to be used for multi-purposes (e.g. reconnaissance, transport, evacuating medical role, utility, etc.) Besides, India has effectively tested 130 mm canon and several systems like Arjun Catapult, whereas its military science is now in a position to offer local way out to keep its armed forces acknowledged with modern armaments, apparatus and technology. Furthermore, India is going to be rich in defence research institutes working on how to collaborate with global military organisations in order to modernise its armed forces. These have increased Indian indigenous military capability and scopes for strengthening strategic partnership with the USA and Russia. However, the Indian official view is that “all its defence-related developments are for peaceful measures and not to outdo anyone”<sup>26</sup>, but such military expansion enhances its position in the global power structure.

### 2.3 *India’s Maritime Posture in the Indo-Pacific*

There are different strategic and geo-political interests for major powers between the Pacific and the Indian Ocean. Accordingly, India thinks that the major

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<sup>17</sup> *Ibid.*,

<sup>18</sup> Beyond Visual Range.

<sup>19</sup> Aditya Bhat, *op. cit.*,

<sup>20</sup> *Ibid.*,

<sup>21</sup> Line of Actual Control.

<sup>22</sup> Intermediate Range Ballistic.

<sup>23</sup> Including various local technologies; e.g. composite rocket motor, state-of-the-art avionics, 5<sup>th</sup> generation on-board computer distributed architecture, laser gyro-based inertial navigation system, micro-navigation system, re-entry kit shield, etc.

<sup>24</sup> A nuclear-capable submarine-launched ballistic missile (SLBM) with a range of 700 km.

<sup>25</sup> Submarine-Launched Ballistic Missile (SLBM).

<sup>26</sup> Aditya Bhat, *op. cit.*,

concerns in the India Ocean Rim (IOR) are asymmetrical in nature and these should be handled through regional and multiparty cooperation.<sup>27</sup> The Pacific is observed as a domain of strategic and political dissonances. However, the Indian Ocean is being challenged by increasing non-traditional threats – maritime terrorism, humanitarian crises, piracy, trafficking, etc. China is promoting the idea of maritime silk route, building up of maritime infrastructure and port facilities in South Asia and along the east coast of Africa.<sup>28</sup> India is equally cautious about how to respond to the Chinese maritime posture in the Indo-Pacific.

The Indian Navy is now more responsive to its key mandate of protecting India's interest. It is keen to increase its functional collaboration with the East and Southeast Asia, as well as expand organisational entrance to refill and refurbish resources in the Indo-Pacific littorals. India is trying to have a role of stabiliser in the IOR and the Pacific. It has also been partaking actively in the maritime and political security discourses in the ASEAN Regional Forum (ARF), the Shangri-La Dialogue, the East Asia Summit (EAS), ASEAN Defence Ministers Meeting (ADMM) Plus<sup>29</sup> and the Expanded ASEAN Maritime Forum (EAMF). Simultaneously, the government of India continues to expand its trilateral and summit diplomacy in the IOR and the Pacific. Another issue is whether maritime security, encompassing the Indian Ocean and the Pacific, is a key irritant of India. The extended "maritime" zone<sup>30</sup> for India is very important route for the world trading of oil and raw materials, the two factors that are important to the country's steady economic growth as well as economic security. These are pushing India to undertake maritime strategy and neutralise asymmetrical stances that could undermine its regional dominance.

#### 2.4 *India's Role in International Politics*

In the early 1990s, India started its economic liberalisation. Since then, the country was more visible globally. The visibility is guided by its democratic consolidation and economic steadiness. It has adopted soft diplomacy e.g. actively engaging with global institutes like the United Nations (UN) bodies and leadership role in the Non-Aligned Movement (NAM). India's increasing socio-economic development and being a nuclear power helped the country to enhance its importance in the global negotiation meetings. Immediately, after the 9/11, India offered "over-flight rights and bases to the US."<sup>31</sup> This hinted India's new intention in its overseas policy and the offer

<sup>27</sup> Ellen Laipson and Amit Pandya, "The Indian Ocean: Resource and Governance Challenges", The Henry L. Stimson Center, 2009.

<sup>28</sup> For example, Gwadar, Hambantota and Sittwe in South Asia and Mombasa, Dar-e-Salam and Bagamoyo.

<sup>29</sup> ADMM Plus is a platform for ASEAN and its eight Dialogue Partners (Australia, China, India, Japan, New Zealand, Republic of Korea, Russia and the United States) to strengthen security and defence cooperation for peace, stability and development in the region.

<sup>30</sup> It extends from the Gulf of Hormuz in West Asia to the Straits of Malacca in Southeast Asia.

<sup>31</sup> Ummu Salma Bava, "New Powers for Global Change? India's Role in the Emerging World Order", *FES Briefing Paper No 4*, March 2007, available at [library.fes.de/pdf-files/iez/global/04372.pdf](http://library.fes.de/pdf-files/iez/global/04372.pdf), accessed on 30 June 2014, p. 2.

signalled that the country was engaging the US differently. The global and regional engagements of India are guided by different clusters of relations: (a) with the South Asian neighbours, instituting South Asian Association for Regional Cooperation (SAARC); (b) with five major global powers (the US, the EU, Russia, Japan and China) – two of the five, the US and China, are crucial actors in South Asia influencing strategic and political dynamics in the region and so the first two sets of relations are interlinked; (c) with the Southeast Asian states to increase trade and economic relations as well as the West and Central Asian states to secure energy demands – this cluster also pays due attention to the Indian Ocean and littorals and (d) with the states of Latin America and Africa aimed at securing energy demands.

Overseas strategy of India seems to be introducing and continuing a strategy of neo-nonalignment e.g. many to engage at different levels to secure diverse requirements.<sup>32</sup> India bilaterally and also through regional framework in South Asia is pursuing its neighbourhood policy not only securing regional stability but also ensuring economic diplomacy goals. Seeking India's existence in and facilitating its alliance building with the regions are guided by both economic and political viewpoints. The *Look East Policy* of India, particularly engaging with the ASEAN and the Asia-Europe Meeting (ASEM) has taken the country forefront in Southeast Asia. This is, in a sense, a welcome move by both parties to be economically benefited.

Besides, Indian Diaspora is socio-economically and politically strong worldwide; they are getting influential in the west which earns significant politico-economic benefits for India. On the other hand, India continues to demand for a permanent seat in the United Nations Security Council (UNSC), where the country expects support from the developing world. India is keen to establish a new multilateral global order and to promote South-South cooperation on trade and economic development, which indicates a unique global vision of the country.

### 3. The Challenges of India's Global Emergence

India's role and influence in the international arena are visible. The country has potential – and also the ambition – to become a global power. However, India's path to global power status is not easy. It is constrained by external and internal challenges. Any country's global status does not depend only on its external posture; its internal development and stability help the country to make its position and status sustainable. Though India is modernising its military capability and expanding its role regionally and internationally, the country's economic and security challenges are considered as constraints for its global emergence. India's foreign policy and diplomacy face challenges to enlarge its influence in the global affairs. There are

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<sup>32</sup> *Ibid.*



sceptical opinions about India's global rise. India's former permanent representative to the UN, Arundhati Ghose, is less sanguine about India's rise:

What seems to have caught global attention on this occasion is India's rapidly growing market, and the west, characteristically specific, has clubbed India with other emerging markets, when the rate of growth and size, both actual and potential, of her market, seemed to merit putting India in a separate category of developing countries. In my view, emergent India is basically an India in transition and her strategic options are accordingly either constrained or open possibilities for previously closed course of action.<sup>33</sup>

Several scholarly works identify different internal and external challenges for India to be a global power.<sup>34</sup> In 2013, a distinguished group of India's leading academics, heads of think tanks, economists, former diplomats, military and naval commanders, business entrepreneurs and journalists published a report on the country's internal and foreign policy challenges. The report concludes as:

Under no circumstances should India jeopardise its own domestic economic growth, its social inclusion and its political democracy...a range of factors – demography, the unleashing of domestic entrepreneurship, the rising aspirations and innovation of millions of marginalised people, technology – give India's growth prospects a sound foundation and provide competitive advantage that could sustain for some time to come. There is widespread consensus that the main thing that can hold India back is India itself.<sup>35</sup>

The above mentioned scepticism among the scholars and government representatives elucidates India's challenge to be a global power. With 1.1 billion population, India is a multi-ethnic, multi-lingual and multi-cultural country. For near about two hundred years, the country was ruled and exploited by the British Empire. After its independence in 1947, the idea of self determination helped India to consolidate new visions for its progress and development. During the Cold War era, India always opted for a non-alignment policy in the international arena and concentrated to its internal development and progress.<sup>36</sup> Till 1990s, India followed

<sup>33</sup> Arundhati Ghose, "Emerging India: Strategic Challenges and Opportunities", K. Subramanyam Memorial Lecture, National Institute of Advanced Studies, Bangalore: Aditi Enterprises, 2011, p. 9.

<sup>34</sup> See, for example, Katherine Book, *Beyond the Beautiful Forevers*, London: Grana Books, 2012; Gurucharan Das, *The Elephant Paradigm*, New Delhi: Penguin Books, 2002; Stephen Chohen, *Emerging Power: India*, Washington: Brookings Institutions Press, 2001; Edward Luce, *In Spite of the Gods: the Strange Rise of Modern India*, New York: Doubleday, 2006; Barbara Harriss-White, *India Working: Essays on Society and Economy*, Cambridge: Cambridge University Press, 2003; and Rajeev Bhargava, *The Promise of India's Secular Democracy*, New Delhi: Oxford University Press, 2010.

<sup>35</sup> Sunil Khilani, et. al., *Nonalignment 2.0: A Foreign Strategic Policy for India in the Twenty First Century*, New Delhi: National Defence College and Centre for Policy Research, 30 January 2012, p. 7.

<sup>36</sup> M. Srinivas Chary, *The Eagle and the Peacock: U. S. Foreign Policy toward India since Independence*, Westport: Greenwood Press, 1995, p. 66.

a regulated and controlled economic system.<sup>37</sup> India's growth rate was poor and it was known as a post-colonial developing country. However, India maintained a democratic system, which helped it to build an image of the largest democracy of the world. After the Cold War, India opened its market and increased its engagement in the international forums. India's growing ties with the global powers and its economic boom helped the country to increase its acceptance to the international forums.<sup>38</sup> India is likely to play an active role in the international arena. But, some of the domestic and external challenges still are considered as hindrances to India's global emergence.

### 3.1 Foreign Policy Predicament

Since independence, Indian foreign policy faced periodic alteration triggered by the failure to harmonise the civilisational, idealist legacy with realist aspirations to be a global power. The Nehruvian foreign policy maintained a non-aligned policy but was tilted to socialism. Nehru also promoted the idea of Afro-Asian solidarity and desired to lead the developing world. Idealism remained one of the principles of India's foreign policy, but in many cases, India adopted realist policies. In the post-Cold War era, after the liberalisation of India's economy, "India's foreign policy establishment is in the process of disinterring a long dead grand strategy from its Cold War grave"<sup>39</sup>. Asley Tellis describes non-alignment as "unrealistic" and "dangerous" for a variety of reasons: first, India cannot rely on an ideal world or players that respect its attempt as a power of example in pursuing development; second, the quest for strategic autonomy is misplaced in an economically interdependent world with ongoing, fast-shifting political competition as strategic alliances; third, India lacks both material and political resources to chart an entirely independent foreign policy; and fourth, New Delhi should thus enter into preferential strategic partnership taking the form of high quality trading ties, robust defence cooperation and strong diplomatic collaboration into consideration.<sup>40</sup> However, Raja Mohan has endorsed India's foreign policy moving closer to the USA, but it is not a reverse back to the Nehruvian policy.<sup>41</sup> He says that Indian policies have turned from "idealism to pragmatism" and "India has moved from its past emphasis on power of the argument to the argument of power"<sup>42</sup>. In the contemporary times, India is invited in all international forums. Accordingly, India is keen to deepen its bilateral relations with the international powers.

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<sup>37</sup> Robert J. McMahon, *The Cold War on the Periphery: The United States, India, and Pakistan*, Columbia: Columbia University Press, 1994, p. 110.

<sup>38</sup> Uma Kapila, *India's Economic Development Since 1947*, New Delhi: Academic Publications, 2008, p. 155.

<sup>39</sup> Ashley J. Tellis, "Can India Revive Nonalignment?"; *Yale Global Online*, 28 August 2012, available at <http://yaleglobal.yale.edu/content/can-india-revive-nonalignment>, accessed on 10 June 2014.

<sup>40</sup> *Ibid.*

<sup>41</sup> C. Raja Mohan, *Crossing the Rubicon: The Shaping of India's Foreign Policy*, New York: Palgrave Macmillan, 2003, pp. xxi-xxii.

<sup>42</sup> *Ibid.*

### 3.2 *Neighbourhood Compulsions and China Bogey*

India's intricate relationship with its neighbours has always been a challenge for the country to enhance its position in the international arena. Bilateral tensions, territorial conflicts and political differences underpin India's neighbourhood compulsions and are inimical to its global aspirations. India's historical rivalry with Pakistan as well as the nuclearisation of India and Pakistan affected the former's image regionally and internationally. India's immediate neighbours have changed significantly in terms of social and political landscape. The simultaneous rise of India and China has increased a competition between the two countries to enlarge their sphere of influence, which enhances India's concerns regarding the Chinese influence in the region. In one way, India is eager to engage its neighbours by strengthening connectivity and trade.<sup>43</sup> On the other hand, India has security concerns from its neighbours e.g. cross border issues – migration, water sharing, transportation, trade, etc.<sup>44</sup> The neighbourhood policy needs to be integrated with India's development and security policies, which is a challenge for the country. Moreover, India's increasing presence in Afghanistan is not seen positively by Pakistan.<sup>45</sup> Both Pakistan and China want to ensure their presence strongly in Afghanistan.<sup>46</sup> India's other neighbours like Bangladesh, Nepal and Sri Lanka criticise India's big brother attitude in the region.<sup>47</sup> To be a global leader, India needs to take these countries in its confidence.

India's relations with China are important for its economic and security interests. The 1962 War between the two countries made them continuous rival. But, the trade and investment between the two countries increased their dependency on each other. Bilateral trade reached nearly US\$ 80 billion and is projected to reach US\$ 100 billion by 2015, although largely favouring China. On the other hand, China's encirclement of India by building ports in India's neighbouring countries, known as "strings of pearls", makes India confused about China's intentions in the region. India's increasing relations with the USA is likely to contain China to some degree. The

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<sup>43</sup> Rumel Dahiya and Ashok K. Behuria, "Introduction", in Rumel Dahiya and Ashok K. Behuria (eds.), *India's Neighbourhood: Challenges in the Next Two Decades*, New Delhi: Institute of Defence and Strategic Analysis (IDSA), 2012, p. xix.

<sup>44</sup> *Ibid.*

<sup>45</sup> Larry Hanauer and Peter Chalk, "India's and Pakistan's Strategies in Afghanistan: Implications for the United States and the Region", RAND Center for Asia Pacific Policy, 2012, available at [http://www.rand.org/content/dam/rand/pubs/occasional\\_papers/2012/RAND\\_OP387.pdf](http://www.rand.org/content/dam/rand/pubs/occasional_papers/2012/RAND_OP387.pdf), accessed on 12 May 2014.

<sup>46</sup> Smruti S. Pattanaik, "Afghanistan and Its Neighbourhood: In Search of a Stable Future", *PRIO Paper*, Peace Research Institute Oslo (PRIO), 2013, available at [http://file.prio.no/publication\\_files/Prio/Pattanaik,%20S%20%282013%29%20Afghanistan%20and%20Its%20Neighbourhood,%20PRIO%20Paper.pdf](http://file.prio.no/publication_files/Prio/Pattanaik,%20S%20%282013%29%20Afghanistan%20and%20Its%20Neighbourhood,%20PRIO%20Paper.pdf), accessed on 23 June 2014.

<sup>47</sup> Madhavi Bhasin, "India's Role in South Asia – Perceived Hegemony or Reluctant Leadership?", *Indian Foreign Affairs Journal*, Vol. 3, No. 4, October-December, 2008.

Chinese sphere of influence in India's neighbouring countries challenges the latter's predominance in the region.

### 3.3 *Maritime Power and Energy Security*

In the modern age, maritime power is an important factor for a country's global emergence. The twenty-first century is known as "Asian Century", where the Asia-Pacific is becoming the most important area to ensure a country's global dominance. The USA, China, India and Japan are important stakeholders in the region. India is keen to ensure a strong presence in the Indo-Pacific. India is strengthening its presence in the region, but if it is compared with other actors, India needs more capability to substantiate its footholds in the maritime zone.<sup>48</sup>

In April 2004, India officially declared its "Maritime Doctrine". The doctrine identified four major roles for Indian Navy: sea based deterrence, economic and energy security, forward presence and naval diplomacy.<sup>49</sup> Maritime power is also linked with India's uninterrupted oil supply. India is an energy deficit country. About 70 percent of its imported oil is coming from the West Asia.<sup>50</sup> India's foreign policy is influenced by its dependency on its energy import.<sup>51</sup> India maintains a good relation with Iran and West Asian countries to secure its energy import. India differs in many cases with the US policies regarding Iran and Central Asia to ensure its stable relations in the region. However, if India wants to fulfil its desire to be a global power, it is necessary for the country to secure uninterrupted oil supply for its development.

### 3.4 *Limits of India's Soft Power*

Since 2000, reckoning India's desire to be a global power, the country's scholarly and diplomatic communities are focusing on soft power capabilities. Placing India as a potential civilisational power and considerable resources arising from its culture, domestic ideology and diplomacy, the country is projected to attract global attention. Such soft power resources are multi-faceted – which include sports, music, art, film, literature and even beauty pageantry. To this list, others have added India's anti-colonial history, democratic institutions, free press, independent judiciary, vibrant civil society, multi-ethnic polity, secularism, pluralism, skilled English-speaking

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<sup>48</sup> See, Sam Bateman and Joshua Ho, *South East Asia and the Rise of Chinese and Indian Naval Power: Between Rising Naval Powers*, USA: Routledge, 2010, p. 238 and Kanti Bajpai, Saira Basit and V. Krishnappa, *India's Grand Strategy: History, Theory and Cases*, New Delhi: Routledge, 2014, p. 350.

<sup>49</sup> Andrew C. Winner, "India As A Maritime Power", in Toshi Yoshihara, James R. Holmes (eds.), *Asia Looks Seaward: Power and Maritime Strategy*, Westport: Greenwood Publishing Group, 2008, p. 133.

<sup>50</sup> US Energy Information Administration, 26 June 2014, available at <http://www.eia.gov/countries/analysisbriefs/India/india.pdf>, accessed on 15 April 2014.

<sup>51</sup> Anna Rulska and David Jackson, "At the Crossroads of Foreign Policy Decision: India in the Middle East", in Jack Covarrubias and Tom Lansford (eds.), *Strategic Interests in the Middle East: Opposition or Support for US Foreign Policy*, Hampshire: Ashgate Publishing Limited, 2007, p. 109.

workers, food, handicrafts, yoga, India's status as a responsible nuclear power, the rapid growth of the IT sector in places such as Bangalore and the existence of a large Indian diaspora in western countries.<sup>52</sup> However, some scholars argue that India is yet to capitalise its soft power capabilities for three reasons: first, the overestimation of these resources by the analysts; second, India lacks sufficient hard power to capitalise its soft power ambitions; and finally, unresolved elements of India's identity that tend to undermine its efforts at soft power projection through public diplomacy.<sup>53</sup> In this respect, it is a challenge for India to utilise its soft power capabilities for enhancing its image at the global level.

### 3.5 *Internal Insecurity*

As a vast mosaic of ethnicities, languages, cultures and religions, India can be difficult to govern. India's decade – long Kashmir issue, the Maoist and Naxalite movements in different parts of India, the resurgent movements in the north-eastern states, the fear of terrorism and religious extremism, etc. are at times untying India's national integration and progress. The functioning of democracy and regular elections creates opportunity to choose an elected government. But still, Indian democracy fails to include all the sections of the society. The Kashmir issue remains a longstanding source of conflict between India and Pakistan. Both countries fail to reach in any solution on Kashmir. The long rivalry between the two countries pushed them towards conflict, where India alleges that Pakistani sponsored terrorism has created security threats for the country.<sup>54</sup> Besides, Naxalite movements are considered as the largest and the most organised security threat for India.<sup>55</sup> India remains busy to deal with its internal security challenges. Such issues undermine India's global leadership. When allegation comes that the country is not able to manage its internal security, its global influence is questioned.

### 3.6 *Domestic Underdevelopment*

Domestic underdevelopment is a challenge for India's global influence.<sup>56</sup> There are criticisms that India's neo-liberal economic policies adopted in post-1991 have failed to include marginalised people in its development process.<sup>57</sup> Economic

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<sup>52</sup> Rohan Mukherjee, "The False Promise of India's Soft Power", *Geopolitics, History, and International Relations*, Vol. 6, No. 1, 2014.

<sup>53</sup> *Ibid.*

<sup>54</sup> Daniel Markey, "Terrorism and Indo-Pakistani Escalation", Council on Foreign Relations, January 2010.

<sup>55</sup> Sandeep Kumar Dubey, "Maoist Movement in India: An Overview", Institute of Defence and Strategic Analysis (IDSA), 06 August 2013; and Jennifer L. Oetken, "Counterinsurgency against Naxalites in India", in Sumit Ganguly and David P. Fidler (eds.), *India and Counterinsurgency: Lessons Learned*, New York: Routledge, 2009, p. 128.

<sup>56</sup> Jayati Ghosh, "Is India Still a Developing Country", *The Guardian*, 01 April 2014.

<sup>57</sup> Bhabani Shankar Nayak, "Need Based Development to 'Desired' Development: Locating the Freudian Idea in Social and Economic Development of Tribals after the New Economic Reforms in India", *Journal of Arts and Humanities*, Vol. 1, No. 2, October 2012.

inflation in recent past also pushed the marginalised people below the poverty line. India's impressive economic boom has not been country-wide and created disparity in some of its regions. It is argued that the way Maharashtra, Gujarat, Karnataka, Tamil Nadu and Delhi have been developed; India's north-eastern states were not developed equally. Such regional disparity has created grievances in different parts of India.<sup>58</sup> India's development process is criticised for regional, social and economic disparities. Nobel Laureate Amartya Sen in his book *Development as Freedom*, linked human freedoms with economic poverty that erodes freedom and has argued that "development requires the removal of major sources of unfreedom: poverty as well as tyranny, poor economic opportunities as well as systematic social deprivation, neglect of public facilities as well as intolerance or over activity of repressive states"<sup>59</sup>. The United Nations Development Programme (UNDP) has ranked India 135<sup>th</sup> out of 187 countries on the Human Development Index (HDI) of 2014 based on life expectancy, educational attainment and command resources. Also, India's governance system is criticised for corruption and inefficiency. In 2013, India ranked 94<sup>th</sup> among 176 countries in the Transparency International Corruption Perception Index (CPI). It has identified challenges of good governance in India.

Besides, infrastructure is one of the most important factors for development. According to a US state department official, "India will need to invest US\$ 1.5 trillion in energy management, US\$ 392 billion in transportation infrastructure, and US\$ 143 billion in health care by 2030 to support its rapidly growing population"<sup>60</sup>. Poor infrastructure costs India an estimated 2 percent in annual economic growth.<sup>61</sup> India ranked 85<sup>th</sup> out of 148 countries for its infrastructure in the World Economic Forum's recent *Global Competitiveness Report*.<sup>62</sup> The rapid growth of Indian economy in recent years has placed increasing stress on physical infrastructure; Indian government and private investors are working together on it. On the other hand, the increasing import dependency on energy exposes India to greater geopolitical risks, fluctuating world market prices and intensifying international competition. India's energy policy cannot be set in isolation and needs to account for rising global interdependence, while simultaneously communicated appropriately to the public and reflected in policy debates.

In brief, India's economic booming, military expansion, demographic strength, large territory and geo-strategic position uplift India's position to be a global power. But, India is yet to integrate fully its internal developments to raise its voice in the international arena. Economic disparity, poor infrastructure, inefficient management

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<sup>58</sup> Praful Bidwai, "Shining and Starving", *Frontline*, 13 August 2011.

<sup>59</sup> Amartya Sen, *Development as Freedom*, Oxford: Oxford University Press, 1999, pp. 3-4.

<sup>60</sup> Geoffrey Pyatt, "The Importance of U. S.-India Business and Economic Relations", State Department Transcript, 24 June 2011.

<sup>61</sup> Beina Xu and Eleanor Albert, "Governance in India: Infrastructure", Council on Foreign Relations, 01 October 2014, available at <http://www.cfr.org/india/governance-india-infrastructure/p32638>, accessed on 10 June 2014.

<sup>62</sup> World Economic Forum, *The Global Competitiveness Report 2013-2014*, 2013.

of energy system, poor human development record and endemic corruption are likely to weaken India's image and prevent the country to claim its global power status.

#### 4. Concluding Remarks

After independence in 1947, the Nehruvian foreign policy was keen to follow a non-aligned approach in India's international posture. Moreover, the country's "closed economy ...leaning towards Soviet Union"<sup>63</sup> hampered India's engagement in the international arena. India's GDP growth remained poor, which was nearly 3 percent and it had stagnated the country's economic development. In the beginning of the 1990s, India reformed its economic policies and invited foreign investors in its market. This has helped the country to explore its economic and development potentials. Within one decade, India's economic growth attracted global attention and foreign investors took huge interest to invest in the country. Such economic boom raised the desires of Indian leaders to expand its role in international affairs. Nevertheless, India's historic rivalry with Pakistan and China influenced the country to strengthen its military capability. Accordingly, it has developed nuclear capability to secure its strategic position in the region.

The developing relations with the USA gave India a new status in the international forums. Relations with the USA and the West enhanced Indian image. The country's historic relations with Russia helped to strengthen its military capability. Trade relations with China and Southeast Asia facilitated India's economic booming. Besides, owing to its traditional relations with the developing countries, India tries to lead the developing world. India is keen to lead G-77 in the global trade and climate change negotiations. Such role of India helps to project itself as a global power. Moreover, India's military modernisation and posture in the Indo-Pacific have enhanced its image from a regional power to a global stakeholder.

However, India's global emergence is challenged by the external and domestic factors. India's foreign policy formation, relations with neighbours and compulsions of energy import negatively affect its global influence. Internal insecurities and domestic underdevelopment are also considered as important backlogs to project India as a global power. Nevertheless, nowadays, India is invited in all high level international forums and as a leader of the developing world. But, its global influence yet depends on the support from other global powers. To influence global affairs, India is still far behind and needs to improve its external and internal capabilities.

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<sup>63</sup> D. S. Rajan and Raakhee Suryaprakash, "Implications of the East Asia Summit: An Indian Perspective" in Daljit Singh, *Political and Security Dynamics of South and Southeast Asia*, Singapore: Institute of Southeast Asian Studies, 2007, p. 20.