

CURRENT AFFAIRS 2020

IR

ForumIAS

→ EXPORT SUBSIDIES : WTO DISPUTE PANEL RULING

D CONTEXT

WTO dispute panel ruled that India's export subsidy schemes flouted multilateral trade norms and should be withdrawn.

India has filed an appeal against the ruling

2 CASE

USA'S CLAIM

i) The US filed a case against the export promotion measures adopted by India namely, the Export Oriented Units, Electronics Hardware Technology Parks and Bio technology Parks (EOU/EHTP/BTP) schemes, The Export Promotion Capital Goods scheme (EPCGS), The Special Economic Zones (SEZ), Duty free Import for Exporters scheme (DFIs) and Merchandise Export from India scheme (MEIs)

ii) USA alleged that these schemes were inconsistent with the subsidies and countermeasures (SCM)
 iii) Under this developing countries with per capita income of \$ 1000 or more are not entitled to provide export subsidies that are contingent upon export performance
 iv) These subsidies are affecting American companies

INDIA'S CLAIM

India contended that it was exempted from prohibition on export subsidies under the special and differential treatment provisions of the SCM agreements

WTO DISPUTE PANEL'S RULING

It rejected India's claim and ruled that India should withdraw these schemes within 90-180 days from the adoption of the report

3 IMPLICATIONS

- 1) It will affect Indian Pharma, IT, textiles, chemicals and steel industry
- 2) The loss of subsidy will make Indian exports costlier in international markets

what is the objective & structure of WTO?

what is these schemes?

what is SCM?

what is S&D treatment?

what is developing country status

- 3) this will impact India's trade-surplus with USA, which is the largest destination for India's exports
- 4) Indian exports are already facing several challenges domestically and withdrawal of subsidies will lead to more concerns
- 5) fall in India's exports is already a concern

What is the WTO dispute settlement mechanism?

4) WHAT NEXT

- 1) India has filed an appeal against the decision
- 2) India could rework the export incentives to comply with the WTO provisions

What is AIB IR?

5) EXPORTS - ISSUES

- 1) Issues relating to labour, land, low productivity
- 2) low quality and capacity
- 3) Not part of global supply chains
- 4) Technological disruptions
- 5) low private investment
- 6) infrastructural constraints
- 7) ongoing protectionism and trade war
- 8) India opting out of RCEP

What is trade war and protectionism?

6) WAY FORWARD

- 1) Making trade policy more coherent at both domestic and external fronts
- 2) Ease of doing business
- 3) efficient trade facilitation
- 4) Economic reforms

Who publishes EoDB Index?

What is India's rank in EoDB

What is TFA?

→ RCEP - INDIA WALKS OUT

1) CONTEXT

India opted out of the proposed mega trade deal-RCEP

2) RCEP

It is a proposed mega regional PTA, negotiated between 10 ASEAN countries and its 6 FTA partners

It would cover every aspect of the economy such as goods, services, investments, technical cooperation, IPRs and dispute settlement

3) INDIA & RCEP

India already have FTAs with ASEAN, South Korea & Japan
India is also negotiating FTA with New Zealand, Australia

4) WHY INDIA OPTED-OUT

1) Tariff liberalisation - high trade liberalisations ambitions of other members

2) Trade deficit - India has trade deficit with China, ASEAN, Japan and South Korea

3) Rules of origin - India's concerns related to Rules of origin

4) Impact on manufacturing - RCEP may have negative impact on India's 'Make in India'

5) Agriculture and dairy sector - India is world's largest producer and consumer of milk.
RCEP will open up India's dairy sector and affect the livelihood of farmers

6) Service sector - Some members are unwilling to accommodate India's demands to liberalise their service sector

7) IPR obligations - Strict norms on seeds and pharma would affect farmers' right to save or sell seeds and our generic pharma industries

Name the members of RCEP? ASEAN?

What is FTA?

What is IPRs?

What is tariffs and non-tariff barriers?

What is Rules of origin?

What is Make in India?

What is PDS, FRA?

What is the difference between generic vs branded pharma?

- 8) E-commerce - The clauses would prevent India from implementing data localisation rules on companies doing business in India
- 9) Investment - Provisions that seek to provide high levels of protection to foreign investors
- 10) Increase in imports - According to reports India's imports may rise after RCEP

What is data localisation?

What is ISDS?

5) IMPLICATIONS

Positive

- 1) Protect domestic economy and address the trade deficit concerns
- 2) Protect small and marginal farmers and MSME
- 3) Secure India's interest in e-commerce and IPRs

Negative

- 1) India would have gained market access in these countries
- 2) India will miss an opportunity to integrate with the global value chain
- 3) Indian companies would have benefitted from the technologies and competition
- 4) Consumers especially poor would have benefitted from lower prices
- 5) India would have attracted investment

6) WAY FORWARD

- 1) Reform land, labour laws
- 2) Investment in infrastructure and new age technologies
- 3) Plug the loopholes in the Rules of origin
- 4) Focus on skill development
- 5) Promote domestic sector through enabling policies
- 6) Negotiate greater mobility of professionals through easy visa regime
- 7) Improve connectivity

→ BANGLADESH

1) The kind of friendship between India and Bangladesh, contributing to each other's development is an example which the other countries can follow and learn from
— PM Modi

2) Context

Bangladesh PM Sheikh Hasina visited India.

3) Significance

- 1) Strategic importance
- 2) Historical and cultural ties
- 3) Connectivity and development of northeast
- 4) Gateway to ASEAN
- 5) Border security and maritime cooperation

4) Areas of Cooperation

Neighbourhood First Policy

1) Political

- Signed Land Boundary Agreement
- liberalised Long Term Visas (LTVs) to minorities from Bangladesh
- water sharing

2) Economic

Bangladesh is India's largest trading partner in south Asia

India has extended LoC
blue economy

3) Energy

Power export to north east

Rooppur nuclear plant in Bangladesh

4) Security

Border security

counter terrorism

Radicalisation

5) Connectivity

Water ways

Akhaura Agartala rail link

BIN

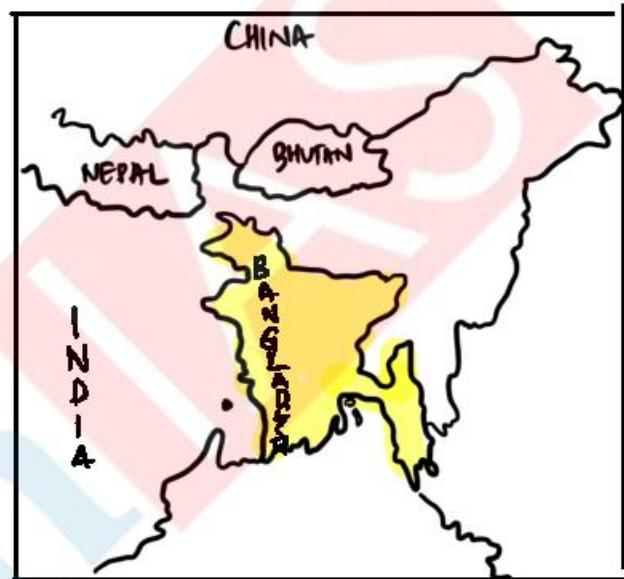
6) Environment

Sunderbans, climate change

Conservation efforts

Disaster management

Which Indian states share boundaries with Bangladesh?



What is India's role in the independence of Bangladesh?

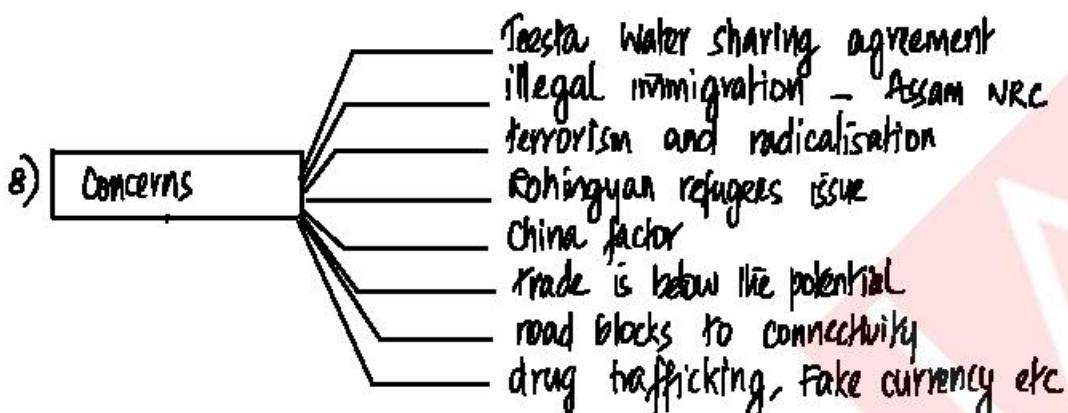
What is LBA?

What is Gujral Doctrine?

Which are the major anti-India groups operating from B'dh?

What is BIN?

What is the significance of Sunderbans?



9) outcomes of recent visit

- 1) Signed MoUs including transport and connectivity
- 2) MoU was signed to establish coastal surveillance radar system
- 3) Agreed a bilateral Comprehensive Economic Partnership Agreement
- 4) A project was inaugurated on sourcing of bulk LPG from Bangladesh to Tripura

10) Way Forward

PM Hasina articulated prescriptions for the future of South Asia

- 1) Pluralism is the strength of South Asia
- 2) Manage the geo-political realities through friendship and collaboration

Name the members of MEKONG GANGA?

Where is Pipavav dam?

Which are the major rivers flowing between India & B'sh?

Who publishes world migration report?

What is maitree pipeline?

→ BRICS

1) CONTEXT

Recently the 11th BRICS Summit was held in Brazil

2) BRICS

- 1) BRICS is a grouping of emerging economies (Brazil, Russia, India, China and South Africa) to establish south-south cooperation
- 2) Bilateral relations among BRICS members are carried out on the principles of non-interference, equality and mutual benefit.
- 3) There are two financial arrangements under the BRICS - NDB & CRA

3) SIGNIFICANCE OF BRICS FOR INDIA

- 1) Geopolitics - BRICS provide an opportunity to balance India's interests
- 2) Forum of emerging economies and voice of developing countries
- 3) Shared interests - Reforms in international organisations, counter terrorism etc
- 4) Development finance through New Development Bank (NDB)
- 5) Expansion of agenda to include climate change, sustainable development

4) CHALLENGES

- 1) Low intra-BRICS trade
- 2) Global economic outlook - protectionist tendencies
- 3) Economic issues in the member countries
- 4) Bilateral differences and lack of a binding ideology
- 5) China's overwhelming presence
- 6) BRICS is not unanimous about global governance reforms

5) BRASILIA DECLARATION

- 1) Opening of NDB regional offices in member countries
- 2) Presented a vision for the rules-based, transparent, non-discriminatory global trade
- 3) Cooperation in agriculture
- 4) Fight against transnational crimes, terrorism
- 5) Partnership on fourth industrial revolution

→ QUAD

1) CONTEXT

- 1) For the first time the foreign ministers of the 'QUAD' countries have met on the sidelines of the UNGA annual session

2) QUAD

- 1) Quadrilateral Grouping or QUAD is a coalition of four countries, India, USA, Japan & Australia
- 2) The members are advocating for a free and open Indo-Pacific

3) ISSUES IN INDO-PACIFIC

- 1) Increasing China's assertiveness in the region
- 2) BRI/ String of pearls
- 3) Funding pattern of China for the projects in the region
- 3) Security concerns
- 4) Territorial disputes in South China Sea
- 5) Major maritime trade route - freedom of navigation
- 2) Balance of power in the region

4) SIGNIFICANCE

- 1) Strategic balancing
- 2) Countering Chinese actions
- 3) Freedom of navigation
- 4) Peace and stability

5) CONCERNs

- 1) China and Russia reacted negatively to 'QUAD'
- 2) It is against the concept of non-alignment of India
- 3) US-Japan & Australia are allies
- 4) No consensus over the geographical scope of Indo-Pacific
- 5) Balancing with India's Act East Policy

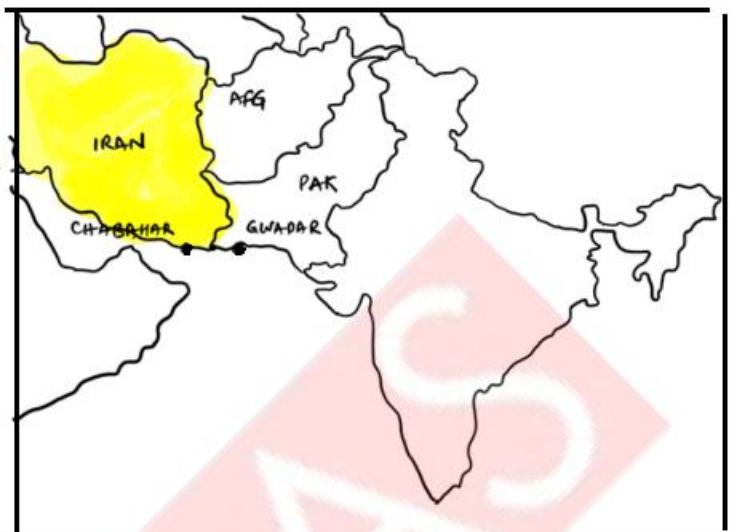
6) WAY FORWARD

- 1) India should exercise caution and balance its outreach in accordance to its national interest and its own terms
- 2) India must ensure 'strategic autonomy'

→ IRAN CRISIS

1) CONTEXT

Targeted assassination of Iranian Major General Qassem Soleimani by the USA



2) Iran's reaction

- 1) Iran launched missiles at two US bases in Iraq.
- 2) Iran mistakenly fired at a Ukrainian jet with 176 people on board.

3) Issues

1) Iran

- 1) Legitimacy exists in Iran
- 2) Iran wanted to revenge the US action
- 3) Sanctions and economic crisis
- 4) Geopolitical issues in the region
- 5) Acceleration of nuclear program

2) USA

- 1) Proxy war by Iran
- 2) Trump's 'unpredictability'
- 3) Middle east crisis
- 4) Disregard for international rules
- 5) Concerns of US allies

3) Middle east

- 1) Proxy wars
- 2) Political instability
- 3) Concerns of Iraq
- 4) Shia-Sunni conflict
- 5) Threat of terrorism
- 6) Oil prices
- 7) Nuclear arms race

4) Potential fall out on India

- 1) Balancing ties with Iran & USA
- 2) Implications of the political instability in the region
- 3) Effect on Afghan peace process
- 4) Role of Pakistan deep state
- 5) Strategic boon for China
- 6) Affect 'Indo-Pacific' strategy

- 7) Oil prices and energy security
- 8) Indian investments in the region
- 9) Chabahar port and connectivity
- 10) Strait of Hormuz and choke point
- 11) Exports to Iran

- 12) Safety of eight million expatriates in the region
- 13) Spill over effects of Shia-Sunni conflicts
- 14) Role of non-state actors
- 15) Arms race in the region

5) India's response

India called for de-escalation in the region.

"Peace, stability and security in this region is of utmost importance to India"

- MEA

MULTILATERALISM

QUOTE

"Only reformed multilateralism with a reformed UN at its centre can meet the aspirations of humanity."

PM Modi

"I am deeply convinced that there is no other way to deal with global challenges than with global responses and organised in a multilateral way"

Antonio Guterres UN Sec. General

CONTEXT

- i) combating covid-19 requires global response
- ii) issues affecting multilateral institutions like UN, WTO, WHO etc
- iii) 75 years of UN

DEFINITION

- 1) "Practice of coordinating national policies in groups of three or more countries through ad hoc arrangements or by means of institutions"
- 2) multilateralism coordinates relations among states based on
 - 1) generalized principles of conduct
 - 2) indivisibility
 - 3) diffuse reciprocity

SCOPE

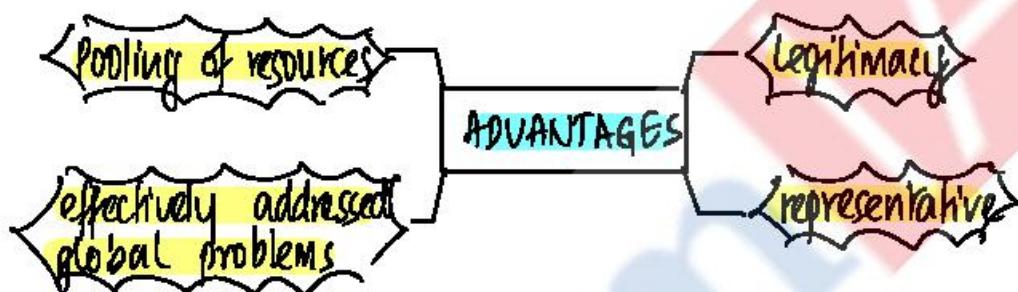
- 1) global governance
- 2) state and non-state actors viz NGOs, MNCs, think tanks etc

TYPES

- 1) Universal
- 2) regional
- 3) issue specific
- 4) security

NEED

- global governance regime
- address global problems
- peaceful resolutions of issues
- global commons
- trade and economy
- nurture global innovation



e.g. eradication of small pox (WHO)
 Montreal Protocol (reversal of damage to ozone layer)
 OECD / G20 project to prevent tax evasion

CHALLENGES

- 1) Covid-19 pandemic heightened the crisis multilateralism
- 2) Issues and challenges affecting multilateral orgns.
viz UN, WHO, WTO
- 3) US withdrawals
- 4) Funding issues
- 5) protectionism and deglobalisation
- 6) Sovereignty concerns
- 7) Brexit
- 8) Deadlock in negotiations
- 9) trust deficit among states
- 10) implementation challenges
- 11) low commitment to participate in collective action
- 12) not accepting call to reforms

Kindleberger trap: It is about the danger inherent in the shifting of balance of power. It focus on the failure of the international system to the under provision of global public goods.

It is argued that the international chaos attributed to the 1930s is caused by the shifting of power from Britain to the USA. However the US failed to assume the responsibilities that came with the mantle of largest power.

G-zero world : no country has enough power or influence to construct a new global framework for cooperation.

INDIA & MULTILATERALISM

- 1) India is always committed to multilateralism and it has been a core principle of foreign policy.
- 2) India pursues rules based architecture.
- 3) It is seeking reform in UN, Brettonwoods organisation.
- 4) India is a major contributor of UN peacekeeping.
- 5) India is also involved in institution building Eg. 'International Solar Alliance' and 'Coalition for Disaster Resilient Infrastructure'
- 6) India has played an active role as an advocate and supporter of nuclear disarmament, counter-terrorism, human rights and environmental protection.
- 7) During Covid-19 crisis India has extended humanitarian relief and supplied essential drugs to many countries.
- 8) India also focuses on regional integration through multilateral organisations like SAARC, BIMSTEC.
- 9) India is also an active member of BRICS, SCO etc.
- 10) India is also having unique opportunity to revive multilateralism as India has shared values like, democracy, pluralism, liberalism etc.
- 11) 5-s approach - Samman, Samvad, sahiyog, Shaanti of India's campaign Samriddhi

WORLD HEALTH ORGANISATION**QUOTE**

WHO defines health positively as "a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity".

CONTEXT

- 1) Covid-19 pandemic and WHO
- 2) US withdraw from WHO

WHAT IS WHO

- A specialised agency of UN responsible for global public health

OBJECTIVE

- attainment of highest possible level of health to all

STRUCTURE

- World Health Assembly
- Executive Board
- Secretariat

- decision making body
- implementing body
- routine functions headed by DG

FUNCTIONS

- Assist countries toward universal health coverage
- Implement IHR
- Increase accessibility to quality medical products
- Coordination

FUNDING

- Assessed contribution by member states
- voluntary contributions

Largest
Contributor -
USA

IHR

- International Health Regulations (2005)

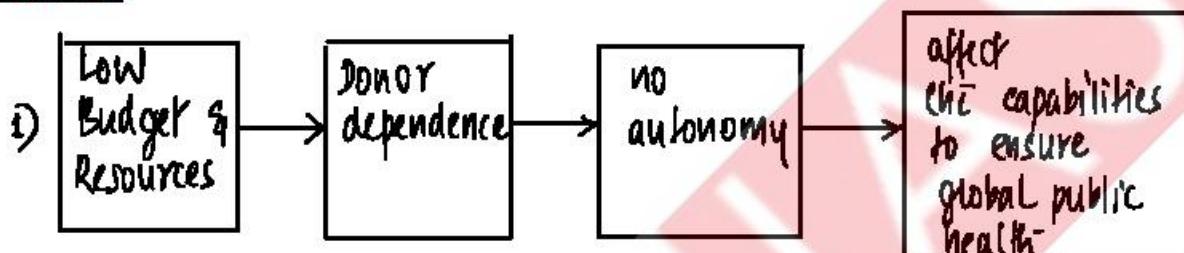
- 1) Act based on non-state information
- 2) Question the states on their decisions
- 3) DG can declare a public health emergency of international concern even if the concerned state objects it.

ACHIEVEMENTS

- 1) Small pox eradication
- 2) Immunisation programmes of many countries including India

- 4) Elimination of polio in most countries
- 5) Developing vaccine against Ebola
- 6) Global coordination
- 7) Solidarity trails and solidarity funds
- 8) Bamako convention - along with UNICEF to provide essential drugs and their rational use in the context of Primary Health Care in African Countries

ISSUES



- 2) Issues of neglected tropical diseases
- 3) Only advisory body and not a regulatory body
- 4) not equipped to deal with pandemics like covid
- 5) victim of geopolitical tensions between USA & China
- 6) Not able to ensure global cooperation

COVID & WHO

Positive role

- 1) Guidelines and protocols
- 2) essential drugs delivery
- 3) support to poor countries
- 4) Solidarity trails
- 5) global monitoring

Challenges

- 1) Late reaction
- 2) allegations of Chinese biasness
- 3) lack of funds
- 4) US withdrawal

THE US WITHDRAWAL

Reasons

IMPLICATIONS

- 1) Loss of the US funding (largest contributor)
- 2) affect global efforts to eradicate polio etc
- 3) poor countries will suffer most
- 4) affect R&D and vaccine trials

INDIA & WHO

NEW ROLE

- 1) India's election to the Executive Board (34 members) and Minister Harsh Vardhan as its rotating chairman
- 2) occupy positions as WHO's external auditor and chief scientist

INDIA & WHO

- 1) 'Pharma of the world' - leading generic drug manufacturer
- 2) India is a beneficiary of WHO's efforts to contain polio / TB
- 3) India can push for reforms
- 4) Promote multilateralism

CHINESE MODEL

- 1) Health Silk Road and thereby finding new markets

ALMA-ATA DECLARATION (1978)

- 1) Health - definition
- 2) Health as a human right
- 3) Focus on Primary Health Care
- 4) Health for All

EMERGING GLOBAL ORDER & INDIA

QUOTE

'we are headed for a poorer, meaner and smaller world'

Shivshankar Menon

CONTEXT

The covid pandemic and the ineffective response of the countries and institutions have given rise to debates about the rise of a 'new world order'

ISSUES WITH THE PRESENT ORDER

- 1) Ineffectiveness of global institutions
- 2) donor controlled bodies Eg - WHO
- 3) US waning influence
- 4) De-globalisation

EMERGING WORLD ORDER

- 1) Chinese assertiveness - wolf warrior diplomacy
- 2) Declining west
- 3) US - China new cold war
- 4) reformed multilateralism
- 5) Weakening of alliances and balance of power
- 6) Failure of collective security
- 7) changing relationship of Arab countries and Israel
- 8) global problems - climate change, AI, bio technology
- 9) global economic slowdown
- 10) lack of leadership - Kindleberger trap
- 11) weaponisation of global supply chain
- 12) Acceptance of non-state actors - Taliban peace deal
- 13) Data is the new oil
- 14) Role of big tech companies
- 15) Race for outer space
- 16) 'Cold war to cold peace'

INDIA'S PLACE

- 1) Leader of developing countries
- 2) Multi-vector FP
- 3) Economic opportunities
- 4) Comparative advantage in IT
- 5) Institution building - Eg ISA
- 6) Part of many global institutions - WHO, UNSC, ICL etc
- 7) Diaspora and soft power advantage

CHALLENGE

- 1) China's new found role and active diplomacy
- 2) Protectionism
- 3) domestic policies and economic slowdown
- 4) roadblocks to reforms in global institutions
- 5) traditional and non-traditional threats

WAY FORWARD

- 1) Effective handling of pandemic
- 2) revive the economy
- 3) Active economic decoupling from China
- 4) Investment in human capital
- 5) use of soft power
- 6) leadership

INTERNATIONAL RELATIONS

2020

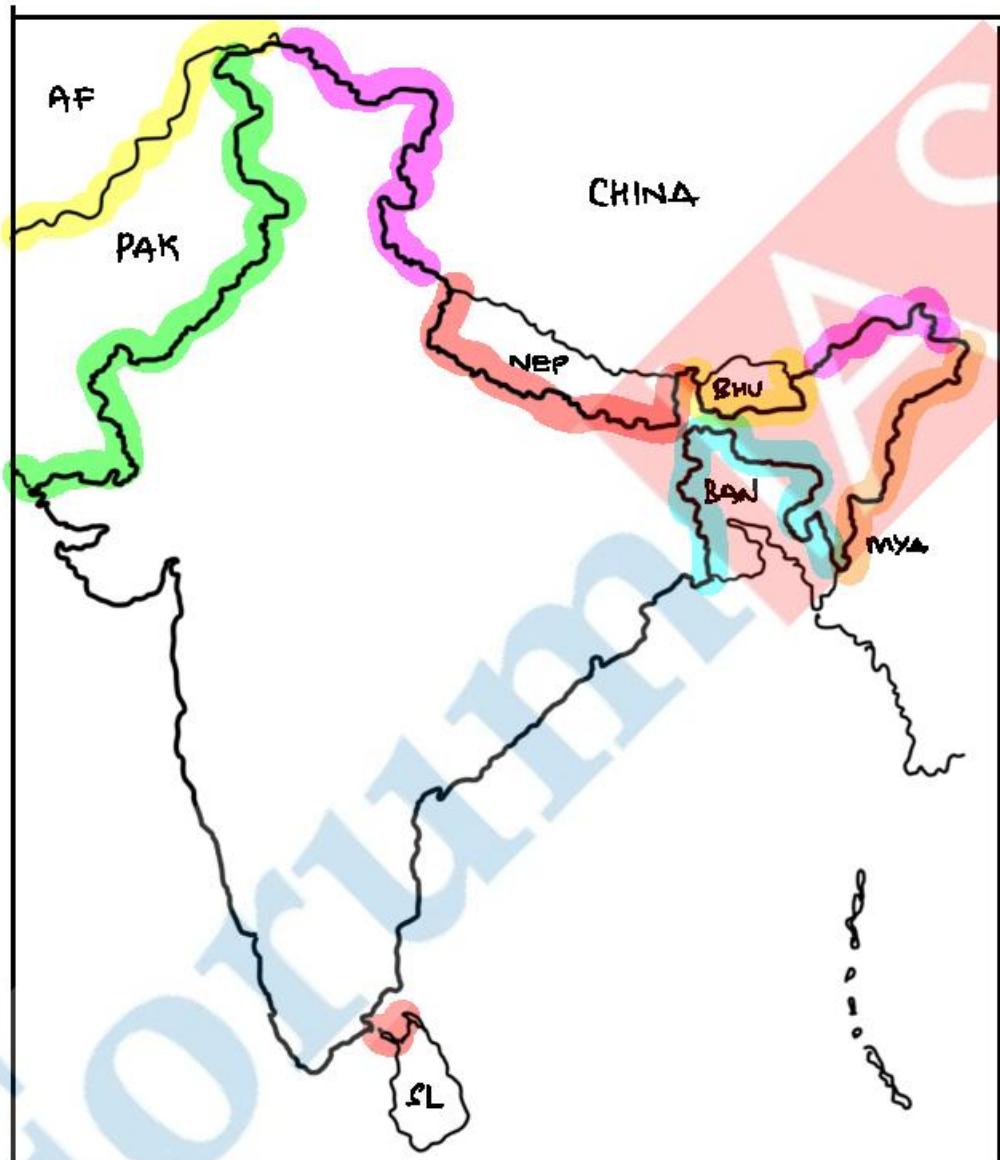


FIG. 1

INDIA & NEIGHBOURING COUNTRIES

PRACTICE MAP

INDIA'S FOREIGN POLICY

QUOTE

"India is the cradle of the human race, the birthplace of human speech, the mother of history, the grand mother of legend and the great grandmother of tradition"
'Mark Twain'

"The real obstacle to the rise of India is not anymore the barriers of the world, but the dogmas of Delhi"

MEA. S. Jaishankar

CONTEXT

AIIT Rammohan Goenka Memorial Lecture by MEA
 S. Jaishankar

EVOLUTION OF INDIAN FP

- 6 broad phases

(1) Phase 1 (1947 - 1962) - optimistic non-alignment

- bipolar world - third world solidarity
- Objectives were to resist dilution of sovereignty, choices
- rebuild its economy
- lead Asia and Africa
- end with Indo China war

(2) Phase 2 (1962 - 1971) - realism and recovery

- looked beyond NAM
- focus on national security
- Pak US alliance
- Indian tilt towards USSR

(3) Phase 3 (1971 - 1991) - Greater Indian regional assertion

- use of hard power and Bangladesh liberation
- US - China - Pak axis
- Pokhran 1
- collapse of USSR

(4) Phase 4 (1991 - 1999) safeguarding strategic autonomy

- unipolar world led by USA

- Pokhran 2 - nuclear weapon status
- engage with Israel, LEP
- Kargil war

(5) Phase 5 (2000- 2013) - Balancing power

- balancing power against China
- Indo - USA civil nuclear deal
- Emergence of BRICS

(6) Phase 6 (2014 to present) - Energetic diplomacy

- World of convergence and issue based arrangements
- India's emergence as a major economy
- Technological advantages
- willingness to shape key global negotiations (e.g. Paris climate change)
- NFP, Act East Policy, Think west policy

WAY FORWARD

- 1) greater realism in FP
- 2) focus on economic growth
- 3) engaging with multiple players
- 4) risk taking is an inherent aspect of diplomacy
- 5) reflect an assessment of opportunities & compulsions and of risk and rewards
- 6) Sabka Saath, Sabka Vikas, Sabka Vishwas is today as relevant in foreign policy

CONCLUSION

"A nation that has the aspiration to become a leading power someday cannot continue with unsettled borders, an un-integrated region and under-exploited opportunities. Above all it cannot be dogmatic in approaching a visibly changing global order"

MEA - S. Jaishankar

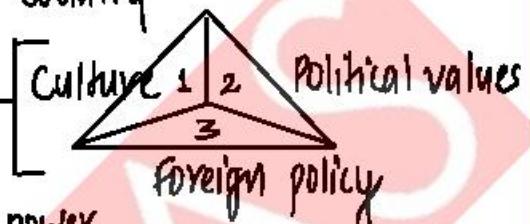
INDIA'S SOFT POWER

CONTEXT The value of soft power as an instrument of FP

DEFINITION

Joseph Nye The ability of one country to influence the behaviour of another country

It is based on the attractiveness of



Limitations with hard power

Increase global stature

Avoiding hot war

FACTORS

Civilisation and political values, Technology
 Diaspora, Indian cinema, sports, Yoga, tourism
 Medical tourism, aid and humanitarian assistance
 Education, development projects

BENEFITS

- 1) Significant help from developed nations
- 2) Positive image of India
- 3) Leadership among developing countries
- 4) Membership in multilateral orgns.

CHALLENGES

- 1) India not in "The soft power 30 index"
- 2) Domestic policies and politics
- 3) Not able to capitalise on its soft power
- 4) Border disputes
- 5) I-Z diplomacy of China-Pak

EXAMPLES

Cultural exchanges with Russia
 IPL cricket matches
 Development projects in Afghanistan
 Operation Neer (Maldives), Vande Bharat Mission
 International Yoga Day
 Medical diplomacy

WAY FORWARD

'Study in India'
Role of IECR
Digital diplomacy, medical diplomacy
Tourism and sports, cultural diplomacy

GLOBAL CASE

China's cultural diplomacy
China is ranked 8th in cultural sub-index
in soft power 30 index
(France topped the index)

FORUMIAS

FOREIGN POLICY CHALLENGES

- 1) Changing geo politics
- 2) Chinese expansionism
- 3) Neighbourhood issues
- 4) Role of 'balancer'
- 5) De globalisation
- 6) Domestic economy
- 7) Weaponisation of supply chain
- 8) Regional trade and integration
- 9) Failure of multilateralism
- 10) Role of MEA
- 11) Failure of SAARC
- 12) Implications of domestic policies
- 13) Strategic confusion - continental vs maritime strategy
- 14) Border conflicts
- 15) Terrorism and piracy
- 16) Boxed up in South Asia
- 17) People to people relations
- 18) Refugee crisis
- 19) Global challenges
- 20) Covid pandemic

IMPLICATIONS OF DOMESTIC FACTORS

QUOTE

"If we want to play any part in world affairs that part is completely dependent not on our loud voices but on the strength, unity and conditions in the country"
- Jawahar Lal Nehru

CONTEXT

India's domestic issues are affecting India's relationships with its neighbours as well as other countries

ISSUE

- 1) Citizenship Amendment Act
- 2) Revoking Article 370
- 3) Communal riots
- 4) Fake news and role of social media
- 5) Moving out from RCEP

IMPLICATIONS

- 1) Disconnect between India's soft power and domestic governance
- 2) CAA created serious implications on India's relationship with the neighbours and Islamic countries
- 3) Economic slowdown
- 4) Political fragmentation - Centre-state tussle
- 5) Domestic insurgency and unrest
- 6) Politicisation of diaspora
- 7) Trade policies affecting FDI

COUNTER ARGUMENTS

- 1) India maintains good relations with neighbours
- 2) Aid and cultural diplomacy, medical diplomacy
- 3) Operation Sunrise, Operation Sanjeevani
- 4) India as a net security provider in IOR
- 5) India got elected to UN and other forums like ICS
- 6) Institution building by India

WAY FORWARD

- 1) India's soft power
- 2) Gujral doctrine

- unilateral support to smaller neighbours without expectation of reciprocity
- no South Asian country would allow its territory to be used against the interest of another country
- non-interference in the internal matters
- respect territorial integrity and sovereignty
- settle disputes through peaceful bilateral negotiations

NEIGHBOURHOOD**NEIGHBOURHOOD FIRST POLICY**

Diplomatic and political priority to the immediate neighbourhood and the Indian Ocean States

POSITIVES

- 1) Peaceful settlement of Land Boundary Agreement with Bangladesh
- 2) Against the image of a big brother
- 3) Sub regional cooperation
- 4) Improving connectivity and integration of the region
- 5) Operation Suviveen and operation Neer
- 6) SAGAR - Security & Growth for All in the Region
- 7) India First Policy of Maldives

CHALLENGES

- 1) Changing geo politics
- 2) Neighbourhood in a flux Nepal, Bangladesh, Afghanistan
Iran, Sri Lanka
- 3) Border disputes
- 4) Implications of domestic politics
- 5) Failure of SAARC
- 6) Chinese assertiveness
- 7) Traditional and non traditional threats
- 8) Asymmetry in the region
- 9) Concern of two-front war
- 10) Taliban peace deal
- 11) Refugee crisis

WAY FORWARD

India's soft power

Gujral Doctrine

NAM TO STRATEGIC AUTONOMY

CONTEXT - PM Modi participated in the NAM summit through online mode

PRINCIPLES OF NAM - Bandung Principles

- respect for human rights
- Mutual respect of sovereignty and territorial integrity
- non-intervention and non-interference
- mutual non aggression
- Equality and mutual benefit
- Peaceful co-existence and economic cooperation
- respect of justice and of international obligations

RELEVANCE OF NAM - changing world order
- India's leadership position
- global issues need global cooperation
- reformed multilateralism
- strategic autonomy

STRATEGIC AUTONOMY

It denotes the capacity of a nation to engage with different nations and still maintain its core national interests.

- 2) The spirit of non-alignment was born from this
- 3) National interest is the foundation of strategic autonomy

EXAMPLES - Multi-vector foreign policy
- Part of different grouping - QUAD & SCG

CHALLENGES

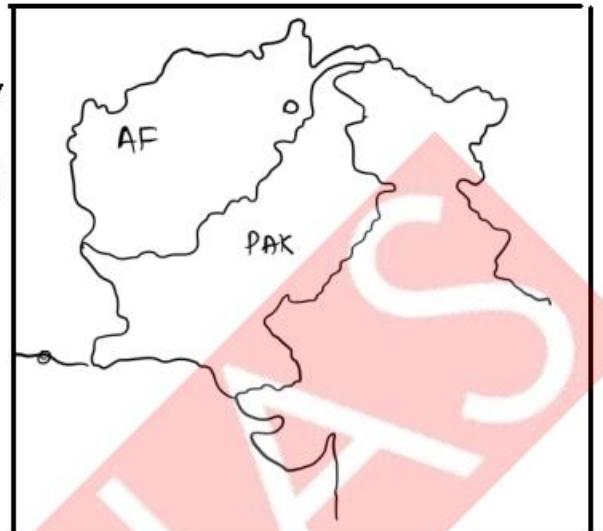
- Closeness with USA
- Strategic partnership with many countries
- changing world order
- Border disputes and instability in the neighbourhood

AFGHAN - TALIBAN PEACE TALKS

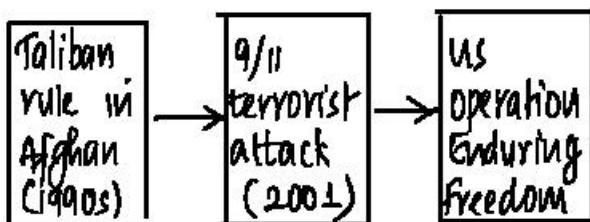
QUOTE

"Afghan people want peace, that is why the govt made the decision to take another risk for peace"

Ashraf Ghani (Afghan President)



BACKGROUND



- US - TALIBAN DEAL**
- 1) end of violence by declaring ceasefire
 - 2) Taliban cutting ties with Al-Qaeda
 - 3) US troops will withdraw by 2021
 - 4) Intra Afghan dialogue for lasting peace

INTRA AFGHAN PEACE TALKS

- Representatives of Afghan Govt and the Taliban met at Doha

CHALLENGES

1) Afghanistan



- end all forms of violence
- constitutional system that protects democracy, rights of women & minorities, human & civil rights

2) Taliban

- Islamic emirate in Afghanistan
- human rights violation

3) US exit

- The US-Taliban deal was a 'US led Taliban controlled process'
- US troops withdrawal may lead to return to violence by the Taliban

4) Ethnic complexities

- influence the politics and power in Afghanistan

5) Role of Pakistan

- influence and interference of Pakistan in Afghanistan would increase

6) 'New Great game'

- regional players like Russia, China, Iran, Pakistan

INDIA'S APPROACH

→ The peace process must be Afghan led, Afghan owned and Afghan controlled.

→ India's role as Afghanistan's largest development partner

→ India has not opened direct links with Taliban

INDIA'S CONCERNs

- 1) Role of Pakistan
- 2) Internal security concerns - terrorism
- 3) China's intentions
- 4) New Great Game
- 5) Golden Crescent
- 6) Failure of SAARC
- 7) Indian development projects

CONCLUSION

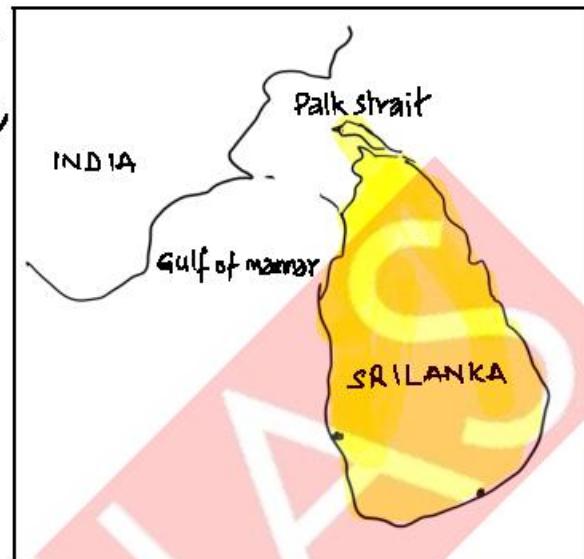
Afghanistan is entering a critical stage and must become an Indian diplomatic priority because whatever happens in Afghanistan would affect the security situation in India and the future of South Asia.

INDIA - SRI LANKA

QUOTE

"India encounters a range of reactions in Sri Lanka; appreciation, support, suspicion and opposition."

Rajiv Shatia



SIGNIFICANCE

- 1) Geo strategic location
- 2) Historical, cultural and ethnic ties
- 3) India's domestic political issues
- 4) Security

ISSUES

1) TAMIL QUESTION

- ethnic issue
- Sinhalese vs Tamil and civil war
 - North & Eastern parts of Sri Lanka

- Indian role
- Indo-SriLanka Accord 1987
 - 13th Amendment and provincial autonomy

- Indian efforts
- rehabilitation and relief assistance
 - in, housing and infrastructure, medical facilities

- impacts
- return of normalcy and ethnic peace
 - political participation of Tamils
 - salience of Tamil issue in India-Sri Lanka is steadily diminishing

Concerns - Rajapaksa govt is not keen to implement 13 Amendment

2) ECONOMY & DEBT ISSUES

Issue 1 Sri Lanka's foreign debt is \$ 55 bn (80% of GDP) of which China & ADB holds 14%. Sri Lanka owes around \$ 960 million to India. RBI signed \$ 400 mn currency swap for Sri Lanka.

Issue 2 East Container Terminal - Colombo controversy nationalist groups in Sri Lanka objecting to Indian privatisation of ECT

- Concerns
- Economic Instability
 - Sri Lanka turning to China
 - Security concerns for India
 - Against Indian investment
 - Lack of economic integration

3) POLITICAL DEVELOPMENTS - 20TH AMENDMENT ACT

Issue The 19th amendment brought by the previous govt rolled back the 18th amendment brought by Rajapaksa govt. 18th A had removed the 2 term bar on running for President and centralised more powers in the hands of President

20A REVERSES THE 19th A

- Concerns
- makes an all powerful President
 - Reduces the power of PM and Parliament
 - undermines accountability

Indian Concerns - Dilution of 13A

- Concerns
- The provisions of 20A manifest the nationalist Sinhalese sentiments
 - Ethnic tensions

4) ROLE OF CHINA

- 1) Chinese investments in Sri Lanka
- 2) 'string of pearls' and SL part of China's BRI
- 3) erosion of Indian influence
- 4) debt-trap diplomacy
- 5) raising anti-Indian sentiments against Indian projects
- 6) Pro-China govt under Rajapaksa

5) OTHER ISSUES

- 1) Fishermen issue
- 2) Implications of CAA

WAY FORWARD

- India should deepen engagement with Sri Lanka through cultural diplomacy, regional integration
- SAGAR

IOR - INDIA AS NET SECURITY PROVIDER

QUOTE

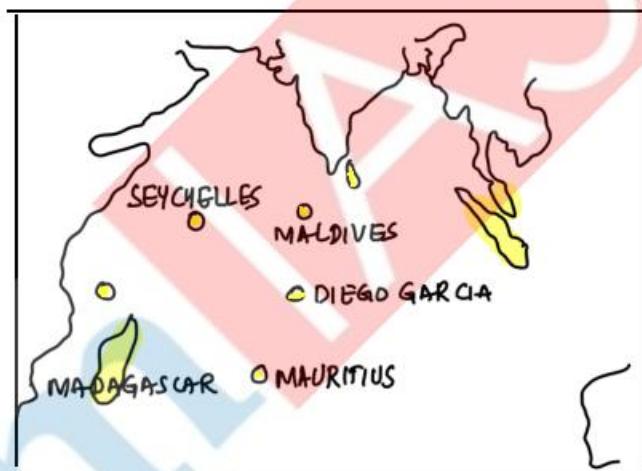
'Indian ocean is the region where India asserts, China eyes and the US intervenes'

CONTEXT

Chinese expansionism in the IOR

SIGNIFICANCE OF IOR

- Security of the country
- Economy and trade route (SLOCs)
- GEZ and ocean resources
- Energy security
- Bilateral relations with IOR countries
- Blue economy



INDIA'S APPROACH

- India's sphere of influence
- Inclusiveness, openness, unity
- SAGAR
- Net security provider

ISSUES

1) Chinese expansionism

- String of pearls
- Belt and Road Initiative
- Malaccan dilemma
- Overseas base
- Weaponisation of supply chain

2) The US presence

- Diego Garcia
- FOIP strategy

- Chagos Islands

- Major powers

3) Disputes

4) Proxy war

5) Zone of peace

6) Piracy and security

- 7) freedom of navigation
- 8) choke points in the IOR
- 9) Non traditional threats
- 10) Disaster management

INDIAN CASE

- 1) India as 'net security provider'
- 2) Militarisation of Andaman and Nicobar
- 3) Strategic confusion - Continental vs Maritime strategy
- 4) India's observer status in the Indian Ocean Commission (IOC)
- 5) maritime security initiatives

INITIATIVES

- 1) QUAD
- 2) Project Mausam, Sagarmala
- 3) Bilateral and multilateral agreements
- 4) Naval exercises
- 5) multilateral forums - IORA, IONS
- 6) 'Necklace of diamonds' strategy

RESETTING INDIA NEPAL RELATIONS

CONTEXT Border issues between India & Nepal

SIGNIFICANCE

- 1) Strategic imp
- 2) Socio-cultural links
- 3) Political & economic

ISSUES



- 1) Border dispute - Kalapani & Susta
- 2) Row over new link to Kailash Mansarovar
- 3) New map by Nepal
- 4) Domestic politics of Nepal
- 5) Insensitive comments from both side
- 6) Anti-Indian sentiments
- 7) Diplomatic lethargy
- 8) China backed plan
- 9) Territorial nationalism

RESETTING

- 1) Revive past efforts - e.g. The Nepal India Technical level Joint Boundary working Group
- 2) Joint patrol
- 3) Stationing Gurkha regiments in the disputed regions
- 4) Diplomatic efforts
- 5) Soft power
- 6) Gujral Doctrine

CONCLUSION

India's ties with Nepal are not ordinary and that no power in the world can break their relationship, and India wants to sort out its mis-understanding through dialogue

- Rajnath Singh

DIASPORA**QUOTE**

Modi went beyond demanding that the diaspora do more for India. He promised that India would do more for them as well'

C. Rajamohan

DEFINITION

A diaspora is a scattered population whose origin lies within a smaller geographical locale. Indian diaspora is a generic term to describe the people who migrated from territories of India. It also refers to their descendants.

DATA

Indian diaspora now comprises 6.4% of the total global migrant population
It is the largest in the world
Top destinations UAE, USA, Saudi Arabia

(Intl migrant stock, 2019 by UNDESA)

OLD & NEW DIASPORA

OLD - Indenture labourers. They were 'pushed out' of India
NEW - These migrated after 1947 due to push & pull factors

**ISSUE****D West Asia**

Economic slowdown
Employment related issues (Eg 'Kafala')
Radicalisation
Competition from Philippines & Nepal
Human trafficking

2) Europe, USA

Racial discrimination
 visa regime changes - H1-B visa
 Implications of Brexit
 De-globalisation
 Separatist movements by the diaspora

3) Covid

Job loss & financial instability
 Psychological issues
 Harassment and negative response of locals
 Social security and jobs

4) Other

Politicisation of diaspora
 Demand for dual citizenship

APPRAISAL OF THE ROLE

- 1) South-East Asia
- 2) FIPIC
- 3) Caribbean
- 4) North America
- 5) Europe
- 6) West Asia

STEPS TAKEN

- 1) Online database of emigrants & employers & agents
- 2) MoU with Gulf countries for protection of workers
- 3) 'Madad' portal for grievance redressal
- 4) 'Bharat ko janiye'
- 5) Visa on arrival schemes
- 6) Merging of Ministry of OIA with MEA
- 7) Pravasi Kaushal Vikas Yojana
- 8) Operation Rahat, Operation Santat Mochan
- 9) Vande Bharat, Samudra Setu missions
- 10) Pravasi Bharatiya Diwas

ACT FAR EAST POLICY**QUOTE**

'Act Far East Policy' is an extension of India's 'Act East Policy'.

FAR EAST OF RUSSIA

- 1) Russia's 'far east' region is rich in resources.
- 2) It shares physical borders with China, North Korea and Mongolia. Japan and USA are maritime neighbours.
- 3) This region has huge economic and strategic significance. But the region is underdeveloped.
- 4) Russia is taking initiatives to attract FDI in this region.

STEPS BY INDIA

- 1) India extended \$ 1 billion line of credit to the development of 'far east'
- 2) Temporary placement of skilled manpower from India to 'far east'
- 3) OVL investment in Sakhalin oil reserves

POSITIVES**1) Strategic significance**

- 1) India's push for a 'multipolar Indo-Pacific'
- 2) Help balance Chinese presence
- 3) Deepening Indo-Russian relations

2) Economic significance

- 1) Enhancement of trade relations
- 2) Energy cooperation

3) Paradiplomacy

- 1) Indian states are encouraged to develop relations with other countries. states viz Gujarat, Maharashtra, Haryana would be collaborating with Russian provinces to increase trade and investments

CHALLENGES

- 1) China is a leading investor in the region
- 2) Connectivity issues
- 3) Liberalisation of visa regime

UN @ 75

QUOTE

UN faces a 'crisis of confidence' - PM Modi

CONTEXT

- 1) 75 years of UN formation
- 2) India was elected as the non-permanent member of the UNSC

ARTICLE 1 OF UN CHARTER

Purpose of UN

- 1) maintaining international peace and security
- 2) Developing friendly relations amongst nations
- 3) Achieving international cooperation to solve international issues of social, economic, cultural and humanitarian nature
- 4) Being a centre to harmonise the actions of the state to accomplish these common goals

ACHIEVEMENTS

- 1) Universal membership
- 2) Decolonisation
- 3) Fight against apartheid
- 4) Prevented a third world war
- 5) role of peace keeping
- 6) UNSC resolutions aimed at stabilising parts of the world
- 7) Universal Declaration of Human Rights
- 8) Development focus

CHALLENGES

- 1) global terrorism
- 2) Democratic deficit
- 3) Principle vs Power
- 4) Civil wars
- 5) nuclear disarmament
- 6) growing inequality
- 7) global challenges (Covid Pandemic)
- 8) changing global order
- 9) monopoly of 9-5
- 10) No representation for Africa and Latin America

WAY FORWARD

Reformed multilateralism
Expansion of UNSC
Focus on principle & de-emphasise power
Specialised agencies to look into global challenges

UNSC REFORMS

INDIAN CASE

- 1) Large population and a major economy
- 2) Major contributor to UN peace keeping
- 3) India's leadership role

IMPEDIMENTS

- 1) Resistance from P-5
- 2) Requires amendment to UN charter, which is difficult to achieve
- 3) No consensus between countries on type of reforms required
- for eg regional distribution of seats, size of the expansion etc
- 4) opposition from other groupings - for eg Uniting for Consensus (UFC) opposes India's inclusion

STEPS TAKEN

India through a grouping of G-4 (Brazil, India, Germany, Japan) push for UNSC reforms

ABRAHAM ACCORD**QUOTE**

'India continues its traditional support for the Palestinian cause and hopes to see early resumption of direct negotiations to find an acceptable two-state solution'

- MEA

CONTEXT

Israel, UAE and Bahrain sign Abraham accord

ABRAHAM ACCORD

- 1) Establish embassies, exchange ambassadors
- 2) cooperate and work together with Israel across various sectors

**REASONS FOR ISRAEL-ARAB TIES**

- 1) changing geo politics
- 2) shared concerns regarding Iran
- 3) security concerns in the region
- 4) diversification of oil economies

SIGNIFICANCE

- 1) Peace and stability in the middle East
- 2) Israel would suspend its annexation plans
- 3) Counteracting Iran

CHALLENGES

- 1) Opposition from Palestinians
- 2) Shia-Sunni tussle
- 3) Iran-Turkey vs Saudi-UAE
- 4) follow up the peace process

IMPLICATIONS FOR INDIA

- 1) Diplomatic challenges - Balancing the interests
- 2) Safeguard India's core interest in the region
- diaspora, energy security, trade and investment
- 3) robust defence and intelligence cooperation with GCC
- 4) Spill over of Sunni - Shia conflict
- 5) security concerns

INDIA'S WEST ASIA POLICY

- 1) Look West Policy
- 2) Tri-directional foreign policy
- 3) Two state solution

IMPORTANCE OF WEST ASIA FOR INDIA

Strategic

- geopolitical
- security
- counter terrorism

Economic

- energy security
- trade and investment
- connectivity

People to people

- Large diaspora
- cultural ties

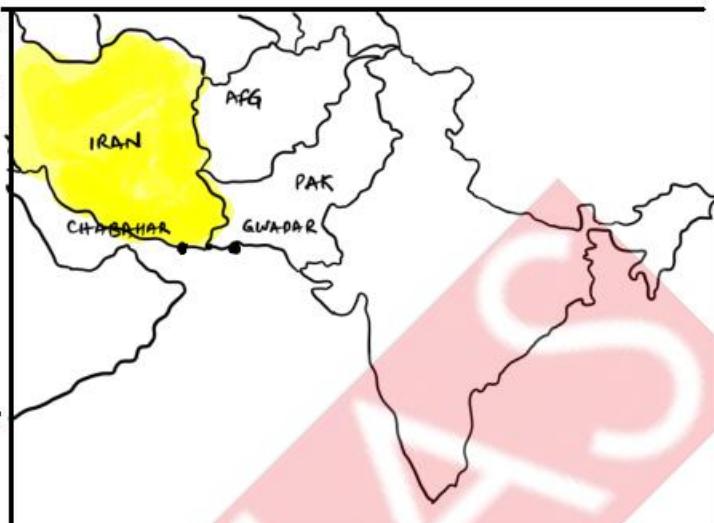
CHALLENGES

- 1) Political instability
- 2) Shia-Sunni conflict
- 3) Great power rivalry
- 4) China and Pakistan role
- 5) Radicalisation and terrorism
- 6) Energy, trade and investment security
- 7) No institutional framework

CHABAHAR PROJECT

CONTEXT Exclusion of India from Chabahar - Zahedan project

PROJECT - It is a 628 KM railway line connecting Chabahar to ring road of Afghanistan

**SIGNIFICANCE OF CHABAHAR**Strategic

- geo strategic location
- Alternate route to Afghanistan bypassing Pakistan
- INSCO and access to Central Asia
- Counter China

Economic

- Energy security
- Trade & investment in Iran & CAR
- Eurasian market

ISSUES

- 1) Iran's China tilt
- 2) Delay in project implication
- 3) US sanctions on Iran
- 4) Affect connectivity initiatives
- 5) India's role in West Asia and Central Asia
- 6) Affect India's 'Necklace of diamonds' strategy

WAY FORWARD

- 1) Balancing relationship
- 2) Early implementation of projects
- 3) Cooperation with like minded countries in projects

INDIA - RUSSIA

QUOTE

"India gives top priority to its relations with Russia in this rapidly changing world, our relations have become more relevant"

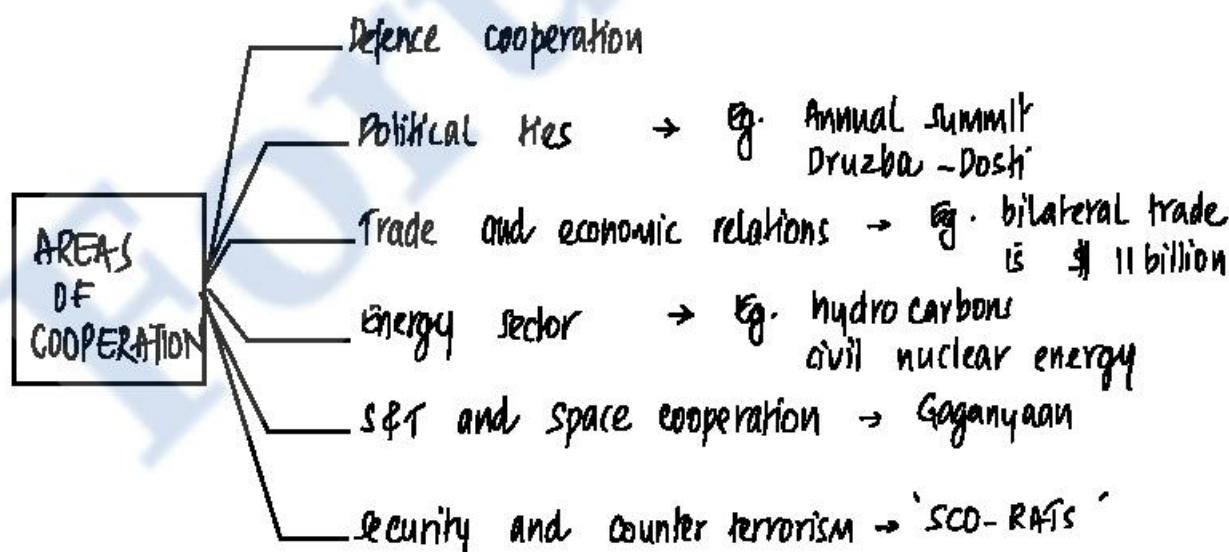
PM Modi

CONTEXT

PM Modi launched "Act for East" policy and said that India will work with Russia in its development of the 'far East' region

SIGNIFICANCE

- 1) Strategic partnership
- 2) Based on mutual trust and mutually beneficial cooperation
- 3) Support of USSR in economic self sufficiency
- 4) Cooperation in Space and defence sector
- 5) Treaty of Peace & Friendship in 1971
- 6) Post disintegration of USSR India and Russia signed 'Declaration on strategic partnership' in 2000
- 7) Institutionalisation of relationship through IRIGC
- 8) multilateral cooperation through BRICS, SCO, G20, RIC



DEFENCE RELATIONS

- 1) Close defence relationship between India and Russia
- 2) More than 60% of Indian military hardware is Russian origin
- 3) Russia and India joint development programs - Eg. BrahMos
- 4) India sealed a deal with Russia for leasing Akula class nuclear powered submarine
- 5) Both conducts joint R&D, training and joint military exercises
- 6) India and Russia signed a deal to supply S-400 Triumph missile

CONCERN

- 1) India US relationship
- 2) Russia- China- Pak axis
- 3) low trade between India and Russia
- 4) changing geo politics

WAY FORWARD

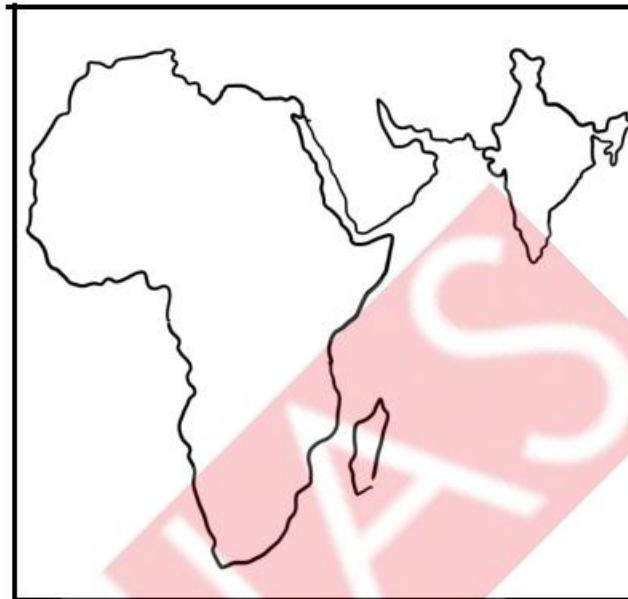
- 1) Need for more bilateral engagements and cooperation
- 2) Avenues of cooperation through multilateral platforms
- 3) Connectivity initiatives viz INSTC
- 4) Act for East Policy

INDIA - AFRICA

QUOTE

'Ties between Africa and India is like a golden thread woven in the common struggles against injustice and oppression'

- Nelson Mandela



SIGNIFICANCE

- 1) Rising economy
- 2) Youthful demography
- 3) Natural resources
- 4) Large market
- 5) Reforms in multilateral orgns

AREAS OF COOPERATION

- 1) Developmental cooperation
- 2) Health sector
 - generic medicines
 - Mission sugar
- 3) Trade and investment
- 4)
- 5) Maritime cooperation - Anti piracy
- 6) Counter terrorism
- 7) Connectivity - AAC
- 8) Multilateral organisations

APPROACH

INDIA

- 1) Health diplomacy
- 2) India's soft power
- 3) Capacity building
- 4) People to people relations

CHINA

- 1) Donation diplomacy
- 2) Lack of transparency
- 3) Major trading and investment partner

CHALLENGES

- 1) China's role and presence
- 2) Trade below the potential
- 3) Lack of vision in relationship

WAY FORWARD

- 1) Capitalise on India's soft power
- 2) SAGAR

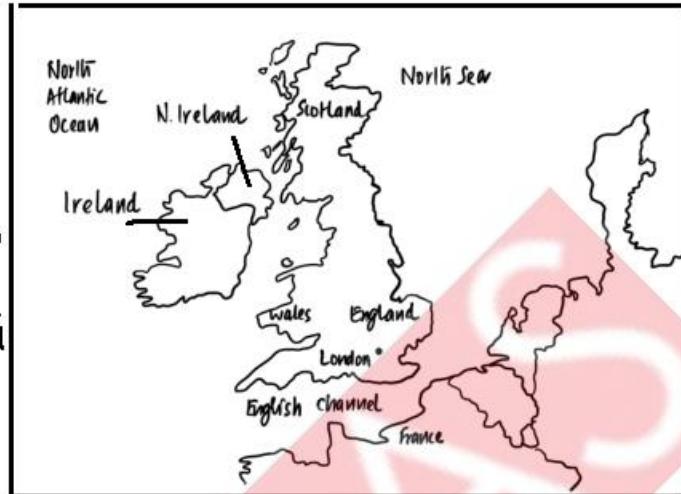
BREXIT

CONTEXT - The UK has left EU

BREXIT

It stands for 'British exit', referring to the UK's decision to leave EU.

In a referendum conducted in 2016, people of UK voted to leave EU.

**IMPLICATIONS****EU**

- (i) It may trigger a domino effect in other distress countries in EU
- (ii) EU may also suffer from financial slowdown.
- (iii) London is the financial centre of Europe. Brexit may affect various companies and their market
- (iv) Political and security interests in the region

INDIA**Positive**

- (i) May boost India-UK trade through bilateral trade ties
- (ii) UK may re-evaluate its relationships beyond Europe and India is in the spotlight
- (iii) Experts say, to retain Indian investments UK would offer tax incentives
- (iv) Promote people-to-people ties, education and tourism
- (v) Rise of a new world order

Negative

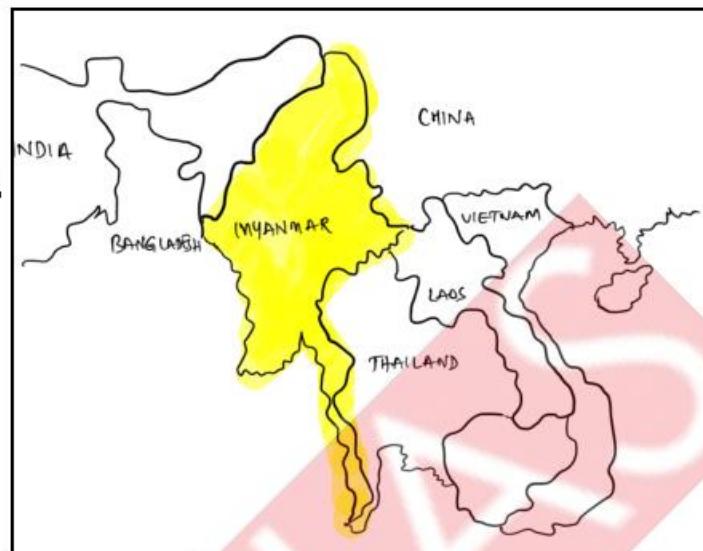
- (i) The economic slowdown may affect the demand and can lead to lower exports to Europe
- (ii) UK was seen as a gateway to EU and many companies setup their office in UK. Post Brexit these companies would have to shift to any EU country

INDIA-EU

- (i) Brexit might fasten the BSA negotiations between India & EU
- (ii) India and EU countries are also strengthening strategic ties

INDIA - MYANMAR**SIGNIFICANCE**

- 1) gateway to ASEAN
- 2) cultural & ethnic relations
- 3) security and connectivity to north-eastern states
- 4) sub-regional cooperation

**AREAS OF COOPERATION**

- 1) Connectivity
 - KMPP
 - IMT
- 2) People to people ties
 - free movement regime
- 3) Energy security
 - oil and gas
- 4) Internal security
 - counter insurgency
 - operation sunrise
 - hot pursuit
- 5) Disaster management

CONCERNs

- 1) Rohingya crisis
 - Refugees, ARSA
- 2) Border management
 - insurgency - safe havens
 - drug trafficking
 - smuggling
- 3) China factor
 - investment
 - BRI - string of pearls
- 4) Low trade
- 5) Delays in Project implementation

WAY FORWARD

Border management; security cooperation; multilateral forums (BIMSTEC, Mekong Ganga)

SHANGHAI COOPERATION ORGANISATION**QUOTE**

SCO is becoming vital to India's Eurasia policy

SCO

- 1) It is a Eurasian political, economic and security grouping formed in 2002.
- 2) Presently, it consists of 8 members i.e. China, Russia, India, Pakistan, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.
- 3) Afghanistan, Iran etc. are having Observer status.
- 4) It has a secretariat based in Beijing and another important body of SCO is Regional Anti-Terrorist Structure (RASS) based in Tashkent.

SIGNIFICANCE OF SCO TO INDIA

- 1) Strategic - Platform for bilateral talks with Pakistan, China, Russia
 - Peace and stability in Afghanistan
- 2) Security
 - Counter terrorism (CATS)
 - Golden crescent issues
- 3) Economy - Trade and investment in Central Asia
 - SCO Bank
- 4) Energy
 - Energy club
 - Gas and uranium rich countries of CAR

CHALLENGES

- China led and China owned
- India-Pak bilateral issues
- Russia-China-Pak axis
- Limited trade
- Lack of connectivity
- Talking club

SCO VS BRICS**Complementarities**

- 1) A new international order
- 2) Convergence of objectives
- 3) Common areas of interest
- 4) Economic cooperation
- 5) Institution building NDB, SCO Bank

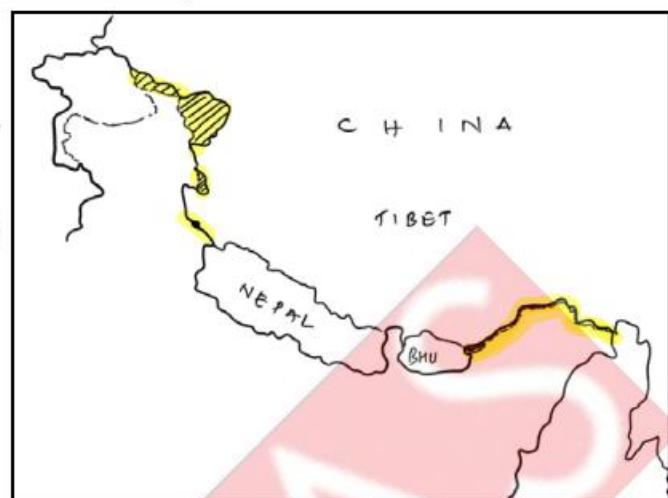
Challenges

- 1) Trust deficit
- 2) Partnership of convenience
- 3) China's domination
- 4) Cannot set developing world vs West dynamic

INDIA & CHINA

QUOTE

"We should make joint efforts to make China-India friendship and cooperation surge forward like the Yangtze river and the Ganges, write a new chapter in the Lango between the 'dragon' and the 'elephant' and enable the 'peacock' and the 'phoenix' to fly in unison"



- Luo Zhaohui - Chinese ambassador to India

BACKGROUND OF RELATIONS

- 1) Civilizational and cultural ties
- 2) Relationship based on 'Principles of Panchashheel'
- 3) Unresolved boundary disputes
- 4) China is India's major trade partner
- 5) Both are members of BRICS, SCO

PRESENT ISSUES

1) CHINESE AGGRESSION ALONG LAC - GALWAN VALLEY

Issues

- 1) Chinese incursions into Indian territory
- 2) Clash in Galwan Valley & brutal death of 20 Indian soldiers
- 3) Chinese expansionism and Chinese nationalism
- 4) Display of Chinese military prowess
- 5) LAC demarcation issues
- 6) Wolf warrior diplomacy - Confrontational foreign policy
- 7) Two-front war concerns
- 8) Chinese infrastructure development in the border areas
- 9) Chinese reaction to developments in J&K
- 10) Chinese multi-year coercion campaign against its neighbors
- 11) With world focused on fighting covid-19, China seizes an opportunity to expand its power

(Refer India's FP topics discussed in class)

HURDLES TO PEACEFUL SETTLEMENT

- 1) LAC demarcation issues
- 2) Chinese 5-finger policy
- 3) Both India and China are developing nations that want a place in the emerging global order

2) ECONOMIC BOYCOTT

- 1) India's reaction - following the Galwan attacks, India took strict steps against Chinese economic & trade domination

India moved from a 'passive commercial withdrawl' to an 'active economic decoupling' from China

- 1) Boycott Chinese goods
- 2) Stringent FDI norms
- 3) Project cancellations
- 4) Mandatory 'country of origin' details
- 5) digital strike - ban of Chinese apps
- 6) 'Vocal for local'

- ISSUES :
- 1) Huge trade deficit with China
 - 2) China is far less dependent on India's market than India on China
 - 3) China's re-routing of goods to India
 - 4) Chinese funds in Indian start-ups
 - 5) Effect on pharma sector - import > 70% API from China

OTHER ISSUES

- 1) China-Pak relationship
- 2) BRI SOP
- 3) Water conflicts - Dam on Brahmaputra
- 4) South China disputes
- 5) US-China new cold war
- 6) Kindle Berger trap

WAY FORWARD (Refer Article)

(Note - Please refer IR topics discussed in class)