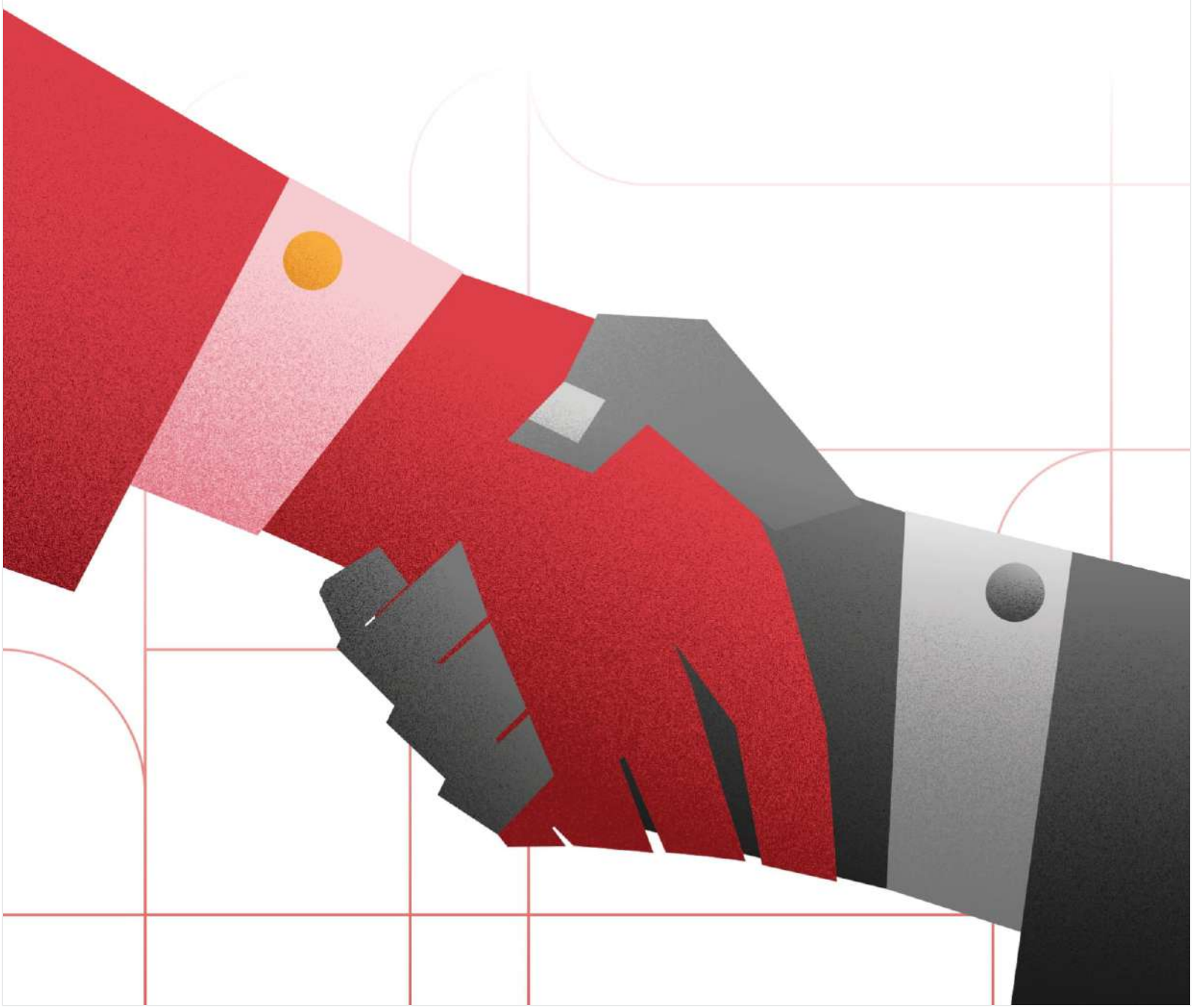




International Relations

UPSC Mains

General Studies II
Class Notes





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UPSC MAINS

**International Relations
GENERAL STUDIES - II
(Class Notes)**

Year 2025-26

“Mastering India and the World”

Ultimate International Relations Notes for UPSC

GS2 Mains

✦ Point-wise Features of Notes

- **Based on Real Trends – We Think Like UPSC**
 - ✓ **Complete PYQ Mapping (2013–2023):**
 - Each GS2 IR question mapped to the **exact syllabus line and theme.**
 - ✓ **Theme-wise PYQ Categorization:**
 - ✓ **Question Type Templates:**
 - Descriptive, Opinion-Based, Evaluative, Reform-Oriented.

- **Exhaustive Coverage of Every IR Syllabus Segment**
 - ✓ **Syllabus Dissection Framework:**
 - Each word of the UPSC GS2 IR syllabus expanded into modules, e.g., “Effect of Policies of Developed & Developing Countries on India’s Interests” covers:
 - US-China rivalry
 - EU carbon tax
 - African food security and India's outreach

- **Visual Learning Revolution – IR with Diagrams & Maps**
 - ✓ **Every Major Concept = One Diagram:**

- **Value Addition Powerpack – Beyond Basic Notes**
 - ✓ **Answer Introduction & Conclusion (Topic-wise):**

- **Sample:**

Introduction: "India's foreign policy today operates in a multipolar, multi-aligned world."

Conclusion: "India must convert strategic ambiguity into strategic confidence."

- **Structuring Mastery - Helping You Write Answers Like a Topper**

- **Based on Authentic, Updated Sources**

- ✓ **Sourced from:**

MEA website, IDSA, ORF, Carnegie India, Yojana/Kurukshetra (IR editions), UN/IMF/WTO portals

- **Designed for Prelims-to-Mains Bridge**

- **Special Add-Ons for Smart Preparation**

"Don't just study India's foreign policy — master it with the strategy, structure, and vision of a diplomat."

These notes are crafted not just for success, but for strategic insight in every IR answer

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Unit 1 : India and its Neighborhood- Relations.

Navigating the Syllabus: What You Need to Know

India and its Neighbourhood-Relations.

- India-Nepal
- India-Bhutan
- India-China
- India-Sri Lanka
- India-Afghanistan
- India-Myanmar
- India-Bangladesh
- India-Pakistan
- India-Maldives

UPSC Previous Year Questions

Question	Nature of Question	Core Demand
Discuss the geopolitical and geostrategic importance of Maldives for India with a focus on global trade and/energy flows. Further also discuss how this relationship affects India's maritime security and regional stability amidst international competition? (2024)	Contemporary + Analytical + Regional Geopolitics	Discuss Maldives' strategic value for trade and energy routes; explain impact on India's maritime security and regional stability.
India is an age-old friend of Sri Lanka.' Discuss India's role in the recent crisis in Sri Lanka in the light of the preceding statement. (2022)	Contemporary + Bilateral Relations	Discuss India's support during Sri Lanka's recent crisis.
China is using its economic relations and positive trade surplus as tools to develop potential military power status in Asia. In the light of this statement, discuss its impact on India as her neighbour. (2017)	Regional Geopolitics	Explain impact of China's economic-military strategy on India.
Increasing cross-border terrorist attacks in India and growing interference by Pakistan are not conducive for SAARC's future. Explain with examples. (2016)	Contemporary + Regional Grouping	Explain how Pakistan's actions affect SAARC's future.
Project 'Mausam' is a unique foreign policy initiative of Indian government to improve relationship with neighbours. Does the project have a strategic dimension? Discuss. (2015)	Policy-based + Strategic	Discuss if Project Mausam carries strategic objectives.
Terrorist activities and mutual distrust have clouded India-Pakistan relations. To what extent can soft power like sports and cultural exchange help? (2015)	Diplomatic + Opinion-based	Assess usefulness of soft power in India-Pakistan relations.

With respect to the South China Sea, maritime territorial disputes and rising tension affirm the need for safeguarding maritime security. In this context, discuss the bilateral issues between India and China. (2014)	Regional Security	Discuss maritime issues between India and China.
The protests in Shahbag Square in Bangladesh reveal a fundamental split in society. What is its significance for India? (2013)	Political Development + Neighbour Impact	State implications of Shahbagh protests for India.
In respect of India-Sri Lanka relations, discuss how domestic factors influence foreign policy. (2013)	Interplay of Domestic & Foreign Policy	Explain how internal factors affect India's Sri Lanka policy.

Introduction

"You can change your friends, but not your neighbours." — Atal Bihari Vajpayee

Anchored in this geopolitical truth, India's foreign policy places a premium on cultivating stable and cooperative relations with its neighbors. Positioned at the heart of South Asia, India's 'Neighborhood First' policy is both a strategic imperative and a civilizational commitment aimed at fostering peace, connectivity, and shared prosperity in the region.

Historical Evolution India's Neighbourhood Policy (Structured Phases)

Phase 1: Nehruvian Idealism and Panchsheel (1947–1962)

- **Core Approach:** Guided by idealism, anti-colonial solidarity, and peaceful coexistence
- **Key features :**
 - Non-alignment in the Cold War
 - Respect for sovereignty and territorial integrity
 - Advocacy for South-South cooperation
- **Important Developments:**
 - **Panchsheel Agreement (1954)** with China laid down the Five Principles of Peaceful Coexistence.
 - **1950 Indo-Nepal Treaty of Peace and Friendship** institutionalized special bilateral ties.
 - **Indus Waters Treaty (1960)** with Pakistan, despite tensions, showed a willingness to cooperate.
- **Limitations:**
 - Underestimated Chinese strategic ambitions (led to **Sino-Indian War, 1962**).
 - Non-interference often meant silence on authoritarianism in neighbouring regimes.

Phase 2: Realist Turn & Regional Primacy (1962–1990)

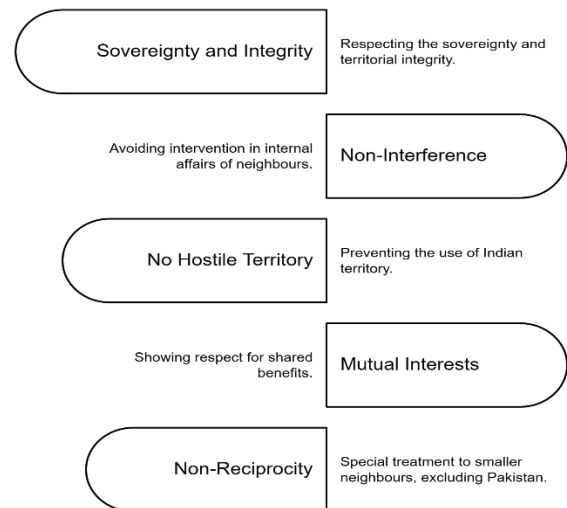
- **Core Approach:** Assertive regionalism shaped by security threats and regional conflicts.
- **Strategic Doctrines and Developments:**
 - **Indo-Pak War of 1971:** Led to the creation of Bangladesh; positioned India as a regional power.

- **Shimla Agreement (1972):** Stressed bilateralism in dealing with Pakistan.
- **Intervention in Sri Lanka (1987):** Under the Indo-Sri Lanka Accord, India deployed the IPKF.
- **Operation Cactus (1988):** Quick military intervention to thwart a coup in Maldives.
- **Regional Doctrine Emerges:**
 - India informally pushed the idea that **South Asia is India's sphere of influence**, discouraging external (especially US or Chinese) interference.
- **Limitations:**
 - Regional dominance bred mistrust among neighbours (e.g., Nepal, Sri Lanka).
 - Heavy-handed diplomacy created a "big brother" image.

Phase 3: Gujral Doctrine (1996–1998)

- **Core Approach:** Unilateral trust-building and non-reciprocal cooperation with smaller neighbours.
- **Key Principles:**

Gujral Doctrine Principles



- **Implementation Highlights:**
 - India **restored confidence with Bangladesh**, encouraging water-sharing and cultural exchange.
 - Initiated steps to improve ties with **Nepal and Sri Lanka**, offering aid and soft diplomacy.

- Continued **cautious approach with Pakistan**, maintaining bilateral dialogues despite provocations.
- **Significance:**
 - Aimed to **reverse India's image** as a hegemon.
 - Emphasized **asymmetrical generosity** as a tool of diplomacy.
 - Provided an early model for soft-power-led diplomacy in South Asia.
- **Criticism:**
 - Limited tenure (due to political instability) meant most actions remained symbolic.
 - Critics questioned whether non-reciprocity served long-term strategic interests.

Phase 4: Post-Liberalisation Strategic Recalibration (1998–2013)

- **Core Approach:** Blend of economic diplomacy, regional engagement, and security strategy.
- **Key Events:**
 - **Pokhran-II Nuclear Tests (1998)** and the **Kargil War (1999)** hardened India's approach to Pakistan.
 - **Engagement with SAARC**, though often stalled by Indo-Pak hostilities.
 - Increasing use of **bilateral FTAs** (e.g., with Sri Lanka, Bhutan) for regional economic integration.
- **Emerging Concerns:**
 - **China's expanding influence** through infrastructure and military support (e.g., Gwadar in Pakistan, Hambantota in Sri Lanka).
 - Regional organisations like **SAARC** remained ineffective due to trust deficit.
- **Strategic Tilt:**
 - India began focusing more on **BIMSTEC** and **Look East Policy** to bypass Pakistan-dominated SAARC roadblocks.

Phase 5: Neighbourhood First Policy (2014–present)

- **Core Approach:** Formal institutionalisation of neighbourhood policy with **proactive and priority-based engagement**.
- **Salient Features:**
 - **High-level outreach:** SAARC leaders invited to PM Modi's swearing-in ceremony (2014).

- **Infrastructure and connectivity focus:** BBIN Motor vehicle agreement, Kaladan Project, India-Nepal rail, Chabahar Port.
- **Humanitarian diplomacy:** Vaccine Maitri, relief in Nepal earthquake (2015).
- **Maritime diplomacy:** SAGAR (Security and Growth for All in the Region) doctrine.
- **Defence partnerships:** Coastal radar stations in Seychelles, Maldives, and Mauritius.
- **Strategic Goals:**
 - **Counter China's BRI** with transparent, India-led development.
 - Promote **regional interdependence** through connectivity and commerce.
 - Elevate **India as a net security provider** in the Indian Ocean region.
- **New Challenges:**
 - **Border tensions with Nepal (Kalapani issue, 2020).**
 - Rise of **China-friendly governments** in Maldives and Sri Lanka.
 - **SAARC continues to stagnate**, while BIMSTEC gains attention.

India's Neighbourhood First Policy (NFP) About Neighbourhood First Policy

- Evolved around **2008**, formally prioritized post-2014.
- Aims to build **harmonious, secure, and cooperative relations** with immediate neighbours.
- Based on a **consultative, non-reciprocal, and outcome-oriented** approach.
- Focus on **connectivity, infrastructure, energy, and security cooperation**.

Significance of NFP

- **Strategic Imperative:**
 - Enhances **regional integration** in South Asia.
 - Counters **China's influence** (e.g., Belt and Road Initiative).
 - Aligns with India's vision to lead the **Global South** and push for reforms in **global governance** (UNSC, IMF).
- **Strengthening Multilateralism:**
 - Revives regional and sub-regional groupings like **BIMSTEC** and **BBIN**.

- Reduces dependence on a dysfunctional **SAARC**.
- **Soft Power Projection:**
 - Promotes **cultural diplomacy** through shared history, religion, and language.
 - Supports education, healthcare, and people-to-people ties.
- **Regional Stability and Security:**
 - Facilitates **intelligence-sharing, counter-terrorism, and anti-insurgency cooperation**.
 - Addresses **transnational organized crimes** and border security.
- **Economic and Energy Cooperation:**
 - Boosts **cross-border trade and investment**.
 - Taps into **hydropower potential** in Nepal and Bhutan for energy security.
 - Promotes **regional infrastructure projects** like Kaladan and Trilateral Highway.
- **North-East Connectivity:**
 - Improves access to India's Northeast through projects like:
 - **Kaladan Multi-Modal Transit Project**
 - **Akhaura-Agartala Rail Link**

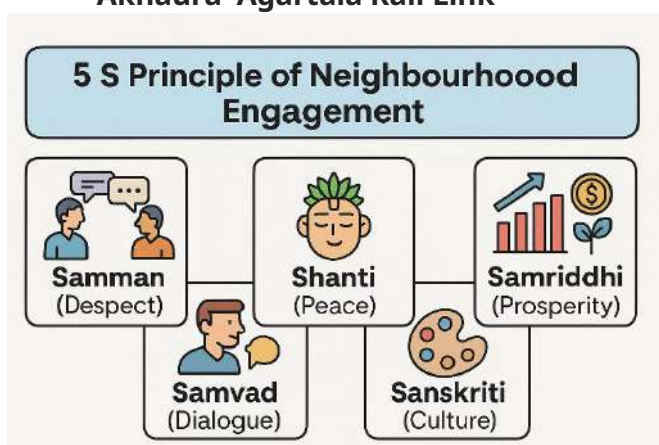
- **Execution Deficits: Delayed project implementation** affects India's credibility as a reliable partner.
- **Ineffective Multilateralism: SAARC** remains dysfunctional due to Indo-Pak tensions, limiting regional cooperation.

Keywords : Neighbourhood First Policy, Panchsheel Agreement, Gujral Doctrine, Indus Waters Treaty, Look East Policy, Vaccine Maitri, SAGAR doctrine, Soft power diplomacy, Strategic autonomy, Regional integration, Border disputes, Asymmetrical generosity, India as net security provider, Indo-Sri Lanka Accord, China's Belt and Road Initiative.

Mains Practice Questions :

Q1. Discuss the evolution of India's neighbourhood policy through its distinct historical phases. How has the 'Neighbourhood First' policy transformed regional diplomacy in recent years?

Q2. "You can change your friends, but not your neighbours." – Critically analyze how this statement reflects India's approach to its neighbourhood policy since independence.



Challenges in India's Neighbourhood Relations

- **Historical Disputes:** Unresolved borders with **Pakistan** and **China** hamper trust-building.
- **Perception of Hegemony:** India's assertiveness often seen as '**Big Brother**' attitude (e.g., Nepal).
- **Domestic Political Constraints:** Internal factors influence foreign policy (e.g., Tamil sentiments on Sri Lanka).
- **Political Instability in Neighbouring States:** Frequent regime changes and crises in **Afghanistan, Nepal, Myanmar** impact bilateral ties.

India–Afghanistan Relations



Historical Context

- **Ancient Ties:** Regions like Gandhara (modern-day Afghanistan) were integral to ancient Indian civilizations, fostering deep-rooted cultural and historical connections.
- **Post-1947 Relations:** India was among the first non-Communist nations to recognize the Soviet-backed Democratic Republic of Afghanistan in the 1980s.
- **1990s Shift:** Relations strained during the Taliban's initial regime (1996–2001) due to ideological differences and security concerns.
- **Post-2001 Engagement:** Following the Taliban's ouster, India emerged as a significant development partner, investing over **\$3 billion** in various reconstruction projects.

Area of Cooperation

- **Strategic & Developmental Engagement**
 - **Major Projects:**
 - **Salma Dam (Afghan-India Friendship Dam):** Inaugurated in 2016, this dam generates **42 MW** of power and irrigates **75,000 hectares** of farmland.
 - **Afghan Parliament Building:** Constructed by India at a cost of **\$90 million**, symbolizing democratic cooperation.
 - **Zaranj–Delaram Highway:** A 218 km road enhancing connectivity between Iran and Afghanistan, facilitating trade.
 - **Humanitarian Aid:**
 - India has supplied over **50,000 MT** of wheat, essential medicines, and COVID-19 vaccines

to Afghanistan.

- In **February 2023**, India announced **₹200 crore** in development aid for Afghanistan.
- **Educational & Capacity Building:**
 - Over **16,000 Afghan students** have pursued education in India under various scholarship programs.
 - Training programs for Afghan civil servants, police, and military personnel have been a cornerstone of bilateral cooperation.
- **Geostrategic Significance**
 - **Connectivity to Central Asia:** Afghanistan serves as a critical link for India to access Central Asian markets and resources.
 - **Counterbalance to Pakistan:** A stable Afghanistan limits Pakistan's strategic depth and curtails the influence of anti-India elements.
 - **Chabahar Port:** India's development of this Iranian port provides an alternative trade route to Afghanistan, bypassing Pakistan.
- **Recent Developments (2024–2025)**
 - **Diplomatic Engagements:** In **January 2025**, Indian Foreign Secretary **Vikram Misri** met with Taliban's acting Foreign Minister **Amir Khan Muttaqi** in Dubai, marking a significant diplomatic outreach.
 - **Trade Initiatives:** India permitted **160 Afghan trucks** carrying dry fruits to enter through the Attari border, signaling a willingness to bolster trade despite political complexities.
 - **Humanitarian Assistance :** India continues to provide humanitarian aid, focusing on food security, healthcare, and education, aligning with its commitment to the Afghan people.

Challenges & Concerns

- **Political Instability and Taliban Regime**
 - The return of the Taliban in 2021 has disrupted formal diplomatic ties.
 - India is cautious in recognizing the Taliban government due to concerns over inclusivity, human rights, and terrorism.
- **Security Threats**
 - The presence of Pakistan-based terror groups like LeT and JeM in Afghanistan poses direct threats to Indian interests.
 - Indian assets (embassies, infrastructure

projects) have previously been targets of attacks.

- **Lack of Direct Connectivity**
 - Geographical and political constraints (especially Pakistan's denial of transit) hamper direct access.
 - The reliance on the Chabahar Port and air corridors increases logistical and strategic complexity.
- **Humanitarian Crisis and Governance Vacuum**
 - The humanitarian situation under Taliban rule is dire, challenging India's outreach efforts.
 - The lack of effective governance complicates project implementation and aid delivery.
- **Geopolitical Competition**
 - Growing influence of China and Pakistan in Afghanistan reduces India's strategic space.
 - China's engagement via Belt and Road Initiative and Pakistan's proximity to the Taliban adds pressure on India.
- **Diaspora and Visa Uncertainty**
 - Many Afghan students, refugees, and professionals in India face legal and social uncertainties.
 - Visa policies and repatriation remain sensitive issues.
- **Erosion of India's Development Gains**
 - Projects like the Parliament building, dams, and schools face neglect or underutilization.
 - Lack of diplomatic presence hampers oversight and support.

Way Forward:

- India should deepen humanitarian aid in health and education to build goodwill and support Afghan stability. PM Modi's 2024 vision of a peaceful Afghanistan guides this approach.
- Resuming infrastructure projects like hospitals can counter China's economic presence and boost local livelihoods.
- Engaging the Taliban to curb terrorism, alongside UN collaboration, will safeguard India's security interests.
- Accelerating Chabahar Port and TAPI Pipeline projects will enhance connectivity to Central Asia.
- Expanding cultural ties through scholarships and cricket diplomacy can strengthen people-to-people bonds.

India-Bhutan Relations



Historical Background

- The Indo-Bhutan Treaty of 1949 laid the foundation for close bilateral ties with mutual peace and non-interference.
- The treaty was revised in 2007 to reflect Bhutan's greater sovereignty in foreign and defense policy while retaining strategic cooperation.
- India established diplomatic relations with Bhutan in 1968 and has consistently remained Bhutan's foremost development partner.

Area of Cooperation

- **Strategic and Developmental Engagement**
 - India has assisted Bhutan in building major hydropower projects like Chukha, Tala, Punatsangchhu I & II, providing electricity to India and revenue to Bhutan.
 - Project DANTAK, initiated in 1961 by India's Border Roads Organisation, has played a crucial role in Bhutan's connectivity infrastructure.
 - India continues to provide budgetary support, technical assistance, and capacity-building initiatives to Bhutan under its Five-Year Plans.
 - The Trade and Transit Agreement allows duty-free access to Bhutanese goods in India and facilitates Bhutan's trade with third countries.
- **Economic and Energy Cooperation**
 - Bhutan's economy is heavily dependent on India, with over 90% of its exports directed to India—primarily hydropower.
 - India remains the largest investor in Bhutan's hydropower sector, helping Bhutan earn foreign exchange and maintain a low carbon

footprint.

- In 2025, India supported new initiatives like a 500 MW solar power project (Reliance Power) and a 5000 MW hydropower MoU (Adani Group).

- **Cultural and Educational Linkages**

- Thousands of Bhutanese students study in Indian institutions under ITEC and ICCR scholarships.
- Cultural exchanges, pilgrimage facilitation, and institutional collaborations continue to strengthen people-to-people ties.

- **Geostrategic Significance**

- Bhutan acts as a buffer state between India and China, especially near the sensitive Siliguri Corridor (Chicken's Neck).
- Military cooperation is strong, with the Indian Military Training Team (IMTRAT) stationed in Bhutan for training Bhutanese forces.
- Bhutan's refusal to establish diplomatic ties with China reflects its traditional alignment with India.

- **Recent Developments (2024–2025)**

- Bhutan announced the creation of the Gelephu Mindfulness City (GMC), and India pledged support via infrastructure and connectivity projects.
- High-level visits, such as the Bhutanese PM Tshering Tobgay's visit to India in 2025, reaffirmed traditional ties and outlined economic cooperation.
- India extended an economic stimulus package of ₹1,500 crore to Bhutan to mitigate external economic shocks and support reforms.

Challenges in India–Bhutan Relations

- **China's Growing Footprint:** Bhutan's border talks with China, including areas near Doklam, raise India's strategic concerns.
- **Hydropower Dependency:** Bhutan's overdependence on India for hydropower exports makes its economy vulnerable to price and demand fluctuations.
- **Infrastructure Constraints:** Mountainous terrain, limited transport routes, and lack of rail connectivity hamper trade and tourism growth.
- **Trade Imbalance:** Bhutan runs a trade deficit with India, creating concerns over long-term

sustainability.

- **Youth Aspirations and Urban Migration:** Economic opportunities in Bhutan are limited, leading to youth discontent and migration, which could strain development models.

Way Forward

- **Diversification of Economic Sectors:** India can assist Bhutan in sectors like IT, agro-processing, ecotourism, and education beyond hydropower.
- **Rail and Air Connectivity:** Expedited construction of proposed rail links (e.g., Kokrajhar-Gelephu line) can boost trade and integration.
- **Joint Environmental Initiatives:** India and Bhutan can collaborate on green technologies and sustainable development, especially in light of Bhutan's carbon-negative status.
- **Support for GMC Vision:** India's financial and technical support to Bhutan's Mindfulness City can showcase a new development model in South Asia.
- **Strategic Dialogue Mechanism:** Regular India-Bhutan-China trilateral dialogues or coordination mechanisms may help Bhutan navigate its border talks without compromising India's core interests.

India–Bangladesh Relations



Historical Background

- India played a decisive role in Bangladesh's liberation in 1971, establishing a foundation of friendship and strategic cooperation.
- The 1972 Treaty of Friendship laid the basis for cooperation in trade, culture, and security.
- Over time, the relationship has matured into a

comprehensive partnership, though not without intermittent tensions on issues such as water sharing and migration.

Area of Cooperation

- **Strategic and Developmental Engagement**
 - India has extended lines of credit worth over **\$7 billion** to Bangladesh for infrastructure, connectivity, energy, and digital projects.
 - Key connectivity projects include:
 - **Maitri Setu** between Tripura and Bangladesh.
 - **Akhaura-Agartala Rail Link**, inaugurated in 2023, boosting trade and movement.
 - The **Bangladesh-India Friendship Pipeline**, inaugurated in 2023, allows for cross-border energy transport (diesel supply from Siliguri to Parbatipur).
 - India supplies over **1,160 MW** of electricity to Bangladesh, contributing to regional energy security.
- **Trade and Economic Cooperation**
 - Bilateral trade crossed **\$18 billion in 2023-24**, making Bangladesh India's largest trading partner in South Asia.
 - India is the second-largest import source for Bangladesh and a major destination for Bangladeshi exports like garments and jute.
 - Trade imbalance persists in India's favor, but Bangladesh has gained market access under SAFTA and duty-free export schemes.
- **Defence Cooperation**
 - Both nations conduct regular **joint military exercises** to enhance interoperability:
 - **Exercise Sampriti** (Army-level).
 - **Exercise Bongosagar** (Naval cooperation).
 - **Coordinated Patrols (CORPAT)** in the Bay of Bengal to improve maritime security.
 - India provides capacity-building support, training to Bangladeshi armed forces, and defence hardware under the Line of Credit.
- **Cultural and Educational Linkages**
 - India offers thousands of scholarships annually to Bangladeshi students through schemes like ITEC and ICCR.
 - Shared linguistic, religious, and cultural ties foster robust people-to-people relations.
 - Revival of historic sites like the **Chaitanya**

Mahaprabhu circuit and the **Mujib Borsho** celebrations reflect deepening cultural diplomacy.

- **Geostrategic Significance**
 - Bangladesh is a pivot in India's **Act East Policy**, enhancing connectivity to Southeast Asia via the Northeast.
 - Its proximity to the **Siliguri Corridor** makes it a key player in India's strategic calculus.
 - Stable relations help in countering insurgency and promoting peace in India's Northeast.
- **Recent Developments (2024-2025)**
 - In early 2025, India extended a fresh **₹1,200 crore grant assistance** for digital infrastructure and green energy in Bangladesh.
 - India and Bangladesh agreed to explore **joint coastal shipping** and inland waterway freight movement to reduce logistical costs.
 - Bangladesh's **interim government** led by Chief Adviser Muhammad Yunus proposed recalibrating trade terms to reduce dependency on any single partner, prompting regional policy shifts.
 - India imposed temporary restrictions on select Bangladeshi imports (processed food, garments) in response to rising trade imbalances and to protect domestic industry, prompting dialogue between trade ministers.

Challenges in India-Bangladesh Relations

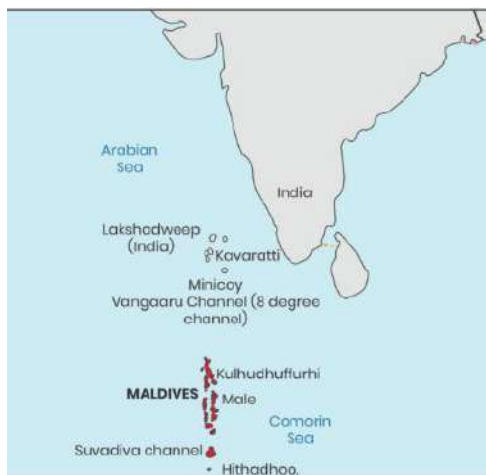
- **Water-Sharing Disputes:** The unresolved Teesta River issue persists, with Bangladesh seeking 50% dry-season water, opposed by West Bengal's local demands. The 1996 Ganga Waters Treaty faces issues due to fluctuating flows and siltation.
- **Illegal Migration and Border Tensions:** Illegal migration strains India's Northeast, fueling socio-economic issues. Border killings, peaking in 2020, trigger protests in Bangladesh. Smuggling and trafficking continue along the 4,096 km border.
- **Political Instability and Anti-India Sentiment:** The 2024 fall of Sheikh Hasina's government sparked an "India Out" campaign, fueled by India's perceived support for her regime. Hosting Hasina in exile has strained ties, viewed as interference by Bangladesh.

- **China's Expanding Influence:** China's \$7 billion Belt and Road investments, including the Teesta River Restoration Project, challenge India's regional dominance. Bangladesh's 2025 agreements with China heighten this concern.
- **Minority Rights and Communal Issues:** Post-2024 attacks on Hindus in Bangladesh and arrests like that of monk Chinmoy Krishna Das in Chittagong raised India's concerns. Bangladesh accuses India of inconsistent minority rights standards.
- **Trade Imbalances and Barriers:** Bangladesh faces high Indian tariffs, and India's 2025 port restrictions on goods like garments have caused friction, despite \$11.06 billion in Indian exports (2023-24).

Way Forward

- **Fast-track the Teesta Agreement** and institutionalize water-sharing mechanisms for 54 transboundary rivers.
- **Strengthen Multi-modal Connectivity** through railway, highway, and inland waterway projects for mutual trade gains.
- **Address Trade Imbalances** by expanding India's import basket from Bangladesh and easing NTBs (Non-Tariff Barriers).
- **Institutionalize Defence Dialogue** through regular joint exercises, coastal security cooperation, and technology transfers.
- **Counterbalance External Influence** by promoting joint ventures in energy, AI, and digital transformation under SAGAR (Security and Growth for All in the Region).

India-Maldives Relations



Historical Background

- India was one of the first nations to recognize the Maldives after its independence in 1965; diplomatic relations were established in 1972.
- In 1988, India launched **Operation Cactus** to foil a coup attempt in the Maldives, reaffirming its role as a security provider in the Indian Ocean Region.
- Relations have traditionally been close, though periodically influenced by internal political changes in the Maldives.

Area of Cooperation

- **Strategic and Developmental Engagement**
 - India is funding the **Greater Malé Connectivity Project (GMCP)**, the largest infrastructure project in the Maldives, linking Malé with neighboring islands via a 6.74 km bridge corridor.
 - India has extended lines of credit and budgetary support to stabilize the Maldivian economy, including rolling over \$50 million in Treasury Bills in 2025.
 - India supports the Maldives in key development areas including health, education, sanitation, and disaster resilience.
 - An MoU was signed for the supply of essential medicines, strengthening Maldives' health security amid domestic shortages.
- **Defence Cooperation**
 - Regular **joint military exercises:**
 - **Exercise Ekuverin** (Army)
 - **Exercise Dosti** (trilateral naval exercise with Sri Lanka)
 - **Exercise Ekatha** (Coast Guard)
 - India fulfills around **70% of MNDF's training requirements**, underlining close security collaboration.
 - Defence infrastructure support includes gifting of helicopters, Dornier surveillance aircraft, and assistance in developing the **Uthuru Thila Falhu Naval Base**.
 - Indian shipyards have provided refit and repair facilities for Maldivian naval assets.
 - India completed the replacement of military personnel operating aviation platforms with civilian technical staff by May 2025, following

Maldivian government's request.

- **Geostrategic Significance**
 - The Maldives' location at the crossroads of key shipping lanes in the Indian Ocean makes it critical for India's **maritime security and SAGAR doctrine**.
 - Maldives plays a pivotal role in India's effort to ensure free and open navigation and maintain regional order in the IOR.
 - India is countering growing Chinese presence in the Maldives, especially under China's Belt and Road Initiative.
- **Recent Developments (2024–2025)**
 - **President Mohamed Muizzu**, elected in 2023, adopted a more China-leaning foreign policy and initiated the **"India Out" campaign**, demanding the removal of Indian defence personnel.
 - In response to strained public sentiments, Indian tourist arrivals to the Maldives declined sharply in early 2024.
 - India inaugurated **INS Jatayu**, a new naval base on Minicoy Island (Lakshadweep) in March 2024, enhancing surveillance capabilities near the Maldives.
 - Despite tensions, India extended critical economic support and continued development cooperation in 2025, avoiding strategic disengagement.

Challenges in India–Maldives Relations

- **Geopolitical Competition:** Growing Chinese investments and strategic presence challenge India's traditional influence.
- **Sovereignty Concerns:** Domestic political narratives portray Indian military presence as interference, impacting bilateral goodwill.
- **Debt Dependency:** Maldives' increasing reliance on Chinese debt raises concerns about strategic vulnerability and debt-trap diplomacy.
- **Public Sentiment:** Negative narratives and social media campaigns can swiftly escalate diplomatic tensions.
- **Tourism and Soft Power Loss:** Strained relations can affect Indian outbound tourism and India's cultural influence.

Way Forward

- **Reinforce Civilian Cooperation:** Focus on soft power, civilian infrastructure, and healthcare to strengthen India's image and reduce perception of dominance.
- **Strategic Patience and Dialogue:** Continue diplomatic engagement with the Maldivian government while respecting sovereignty concerns.
- **Promote Regional Frameworks:** Use multilateral mechanisms like IORA and SAGAR Vision to engage the Maldives in broader regional cooperation.
- **Support Economic Stability:** Provide balanced, transparent financial aid to offset China's economic influence and ensure long-term development partnerships.
- **Expand People-to-People Ties:** Encourage educational exchanges, tourism collaborations, and cultural diplomacy to build trust and goodwill.

India–Myanmar Relations



Historical and Cultural Ties

- India and Myanmar share historical links through Buddhism, Hinduism, and colonial administration under British India (until 1937).
- The **1951 Treaty of Friendship** laid the foundation for diplomatic ties and long-term bilateral cooperation.
- Cultural connect reinforced through Indian-origin communities in Myanmar and shared festivals, religious architecture, and pilgrimages.

Area of Cooperation

- **Strategic and Developmental Engagement**
 - **Act East Policy:** Myanmar serves as India's gateway to Southeast Asia, vital for regional

outreach and sub-regional connectivity.

- **Kaladan Multi-Modal Transit Transport Project:** Aims to connect Kolkata to Sittwe port in Myanmar and further to Mizoram, enhancing Northeast India's access to sea routes.
- **India-Myanmar-Thailand Trilateral Highway:** Designed to promote trade, tourism, and regional economic integration.
- India has committed over **\$1.7 billion** in assistance to Myanmar for connectivity, capacity building, and development projects.
- **Defence and Security Cooperation**
 - India and Myanmar conduct joint military training and exercises such as **IMBEX** and border area cooperation missions.
 - Coordinated counter-insurgency operations are conducted to neutralize militant groups operating across the India-Myanmar border.
 - India has initiated **fencing of the 1,643 km India-Myanmar border** to address illegal migration, arms smuggling, and insurgency.
 - Myanmar is a key security partner in securing India's northeastern states, especially Nagaland and Manipur.
- **Trade and Economic Cooperation**
 - Bilateral trade is around **\$1.3 billion**, with potential in sectors like agriculture, pharmaceuticals, oil and gas, and infrastructure.
 - Operational **Border Trade Points** like Moreh (Manipur) and Zokhawthar (Mizoram) facilitate localized cross-border trade.
 - India is involved in telecom, banking, and construction sectors through public and private sector investments.
- **Humanitarian Assistance**
 - India was among the first responders during humanitarian crises and natural disasters in Myanmar.
 - In 2025, **Operation Brahma** was launched to provide emergency relief after a major earthquake — including medical teams, relief materials, and a 200-bed field hospital.
 - India has consistently provided aid in the form of food, medicine, and shelter during cyclone and flood events.

- **Connectivity and Cultural Cooperation**

- Joint Buddhist tourism circuits are being promoted, connecting Bodh Gaya, Sarnath (India) with Bagan and Mandalay (Myanmar).
- Cultural diplomacy enhanced through initiatives in restoration of heritage sites, language exchange, and scholarships for Myanmar students in Indian universities.

Key Challenges in Bilateral Relations

- **Military Coup (2021):** Political instability in Myanmar has hampered democratic transition and created diplomatic dilemmas for India.
- **Cross-border Insurgency:** Militants operating from Myanmar continue to pose security threats to India's Northeast, despite joint operations.
- **Rohingya Refugee Crisis:** Influx into India raises security, legal, and humanitarian concerns; complicates India's border management.
- **China's Expanding Influence:** China's infrastructure investments, port development, and military supplies challenge India's strategic space.
- **Slow Implementation of Projects:** Connectivity and infrastructure projects like Kaladan face delays due to local resistance, conflict, and poor execution capacity.

Way Forward

- **Strategic Engagement with All Stakeholders:** India must maintain balanced diplomacy with both the military regime and pro-democracy elements to protect its interests.
- **Accelerate Connectivity Projects:** Fast-tracking Kaladan and the Trilateral Highway will improve trade, reduce insurgency isolation, and integrate the Northeast with ASEAN.
- **Robust Border Management:** Deploy smart surveillance, fence vulnerable stretches, and involve local communities in border area development.
- **Counterbalance External Influence:** Offer competitive, transparent alternatives to Chinese projects in sectors like energy, telecom, and logistics.
- **Strengthen Cultural and Educational Exchanges:** Increase scholarships, heritage

collaboration, and people-to-people contact to deepen goodwill and historical ties.

India–Nepal Relations



Historical Background

- The **1950 Treaty of Peace and Friendship** forms the foundation of India–Nepal relations, enabling free movement of people, residence, trade, and mutual security cooperation.
- India and Nepal share **deep-rooted civilizational ties** based on religion, culture, language, and kinship, especially in border regions.
- Operation Maitri during the 2015 earthquake and Vaccine Maitri during COVID-19 highlighted India's humanitarian outreach.

Area of Cooperation

- **Strategic and Developmental Engagement**
 - India is Nepal's **largest trading partner and top FDI source**.
 - Bilateral trade reached over **\$7 billion in FY 2019–20**, with Nepal facing a trade deficit.
 - India extended a **\$680 million Line of Credit** for the construction of major transmission corridors: Bheri, Gandak-Nepalgunj, and Nijgadh-Inaruwa.
 - Launch of **Integrated Check Posts (ICPs)** like Rupaidiha-Nepalgunj and Jogbani-Biratnagar has enhanced border infrastructure and trade efficiency.
 - Revised **Transit Treaty** now allows Nepal access to India's inland waterways for cargo movement.
- **Energy and Hydropower Cooperation**
 - India and Nepal have a **Power Exchange Agreement** since 1971 for cross-border

electricity supply.

- In 2023, a **trilateral power trade** began, allowing Nepal to export **40 MW of electricity to Bangladesh via India**.
- In 2024, India agreed to **import 10,000 MW of power** from Nepal over the next decade, enabling long-term energy security.
- Joint development of hydropower projects, such as Arun-III and Upper Karnali, is a key pillar of bilateral economic ties.
- **Connectivity and Space Cooperation**
 - India has supported development of cross-border **rail links** (e.g., Jaynagar–Kurtha rail line) and road infrastructure to integrate the Himalayan region with the Indian hinterland.
 - India will launch Nepal's first indigenous satellite, '**Munal**', on its **Polar Satellite Launch Vehicle (PSLV)**, enhancing collaboration in space and digital technology.
- **Defence and Security Cooperation**
 - Nepalese citizens are recruited into the **Gorkha Regiments of the Indian Army**, a historic tradition governed by the 1947 Tripartite Agreement (India–Nepal–UK).
 - Joint military exercise **Surya Kiran** is conducted annually to promote interoperability between armed forces.
 - Defence equipment support, personnel training, and counter-terrorism cooperation remain strong.
- **Cultural and Religious Linkages**
 - India and Nepal share sacred sites connected through **Ramayana and Buddhist Circuits** (e.g., Lumbini, Janakpur).
 - Joint restoration of religious and cultural monuments fosters goodwill and people-to-people ties.
 - Initiatives like **Swadesh Darshan** enhance religious tourism across shared civilizational corridors.
- **Multilateral Cooperation**
 - Nepal participates with India in regional platforms such as:
 - **BBIN** (Bangladesh, Bhutan, India, Nepal) for transport and energy cooperation.
 - **BIMSTEC** and **SAARC** for regional integration and disaster preparedness.
 - **International Solar Alliance (ISA)** for

promoting clean energy solutions.

- **Recent Developments (2024–2025)**
 - In 2024, the **India–Nepal Joint Commission**, established in 1987, met to review cooperation; co-chaired by foreign ministers.
 - Major agreements signed:
 - Cooperation in **renewable energy** development.
 - Export of **10,000 MW of electricity** to India over the next decade.
 - Agreement for **launch of Munal satellite** by ISRO.
 - Twin ICPs at **Rupaidiha–Nepalgunj** inaugurated to enhance regulated movement of goods and people.

Challenges in India–Nepal Relations

- **Border Dispute:** Nepal's release of a new political map in 2020 claimed **Kalapani, Lipulekh, and Limpiyadhura**, causing diplomatic friction.
- **China's Growing Influence:** Nepal's participation in the **Belt and Road Initiative (BRI)** has raised India's concerns over strategic encirclement and debt dependency.
- **Trust Deficit:** Perception of Indian interference in Nepal's politics and slow project implementation widens the trust gap.
- **Security Risks:** Porous border facilitates **smuggling of arms, terror financing, and counterfeit currency circulation.**
- **Gorkha Recruitment Issue:** Nepal objected to India's **Agnipath Scheme**, claiming it violated the spirit of the 1947 Gorkha Agreement.
- **Treaty Fatigue:** Sections in Nepal call the 1950 Treaty of Peace and Friendship "outdated" and seek its revision.

Way Forward

- **Bilateral Mechanisms:** Activate institutional dialogues to resolve sensitive issues like border disputes, modeled on the India–Bangladesh boundary settlement.
- **Revisit 1950 Treaty:** Implement recommendations of the **Eminent Persons Group (EPG)** for a contemporary bilateral framework based on equality.
- **Project Delivery Reforms:** Ensure time-bound implementation of Indian-funded infrastructure

to restore trust and credibility.

- **People-centric Diplomacy:** Promote academic, cultural, and religious exchanges to neutralize misinformation and foster grassroots goodwill.
- **Multilateral Synergy:** Leverage BBIN, BIMSTEC, and SAARC for climate resilience, disaster management, and regional connectivity.
- **Enhance Air and Digital Connectivity:** Open new air routes and invest in digital cooperation for capacity building and digital governance support.

India–Sri Lanka Relations



Historical and Cultural Ties

- Civilizational ties are rooted in shared Buddhist and Hindu heritage, reinforced through pilgrimage circuits like Sita Eliya and Thiruketheeswaram temple restoration.
- The **Indo-Sri Lanka Accord (1987)** remains a cornerstone, calling for power devolution through the **13th Amendment** to address Tamil aspirations.

Significance for India

- **Strategic location** in the Indian Ocean, controlling key sea lanes of communication.
- Part of India's **Neighbourhood First Policy** and **SAGAR vision** (Security and Growth for All in the Region).
- **Protection of Indian-origin Tamil interests** (1.6 million IOTs), especially in plantation and business sectors.
- **Colombo Port** serves as a key transshipment hub for Indian exports; instability here directly affects Indian commerce.

Area of Cooperation

• Strategic and Developmental Engagement

- India extended over **\$4 billion** in aid during Sri Lanka's 2022–23 economic crisis, through credit lines, currency swaps, and humanitarian assistance.
- India co-chairs the **Official Creditors' Committee (OCC)** with Japan and France, supporting Sri Lanka's debt restructuring alongside IMF bailout assurances.
- India converted **USD 20.66 million** in loans into grant assistance and agreed to fund **Kankesanthurai Port rehabilitation** under grant terms.

• Trade, Economic and Technological Cooperation

- Bilateral trade stood at **\$5.54 billion in 2023–24**, with India as Sri Lanka's top trade partner and FDI contributor.
- Resumed negotiations on the **Economic and Technology Cooperation Agreement (ETCA)** to build on the existing 2000 Free Trade Agreement.
- Seven MoUs signed in 2025, covering digital identity, taxation, civil service training, and port infrastructure.
- India extended **USD 14.9 million** to upgrade Sri Lanka's Maho–Anuradhapura railway signaling system.
- MoU signed for a **comprehensive scholarship program** for 100 economically disadvantaged students and training of **1500 Sri Lankan civil servants**.

• Energy and Connectivity Cooperation

- Development of **Trincomalee** as a regional energy and industrial hub, with trilateral involvement of India, Sri Lanka, and the UAE.
- Proposed **multi-product petroleum pipeline**, LNG supply arrangements, and under-preparation **Sampur Power Project** reflect deepening energy ties.
- Plans for a **285 km HVDC power transmission link** between Madurai and Anuradhapura are underway for regional grid connectivity.
- **HSC Cheriyanani ferry service** between Nagapattinam and Kankesanthurai restarted in 2023, boosting maritime connectivity.

- Integration of **India's UPI with LankaQR** enabled seamless digital transactions for Indian tourists.

• Defence and Security Cooperation

- Signed a **5-year Defence Cooperation Agreement** in 2025, including joint training, intelligence sharing, and military capacity building.
- Regular joint military exercises:
 - **SLINEX** (naval): 11th edition held in 2024.
 - **Mitra Shakti** (army): Enhances counter-terrorism and HADR readiness.
- Sri Lanka participates in **MILAN**, India's multilateral naval exercise, and receives support through the **Colombo Security Conclave**.
- India is helping set up the **Maritime Rescue Coordination Centre (MRCC)** under grant assistance to improve maritime domain awareness.

• Multilateral Cooperation

- India and Sri Lanka are active members of **IORA**, **BIMSTEC**, and **Colombo Security Conclave**, enabling cooperation in disaster relief, maritime security, and regional connectivity.
- Sri Lanka has supported **India's candidature for UNSC non-permanent seat (2028–29)**; India backed **Sri Lanka's BRICS membership bid**.

• Humanitarian Assistance and Cultural Diplomacy

- India acted as a **'first responder'** during the 2022 economic crisis and past natural disasters.
- Cultural support includes Buddhist relic exposition (Vesak Day 2025), temple restoration, and launch of the **Jaffna Cultural Centre**.

Key Challenges

- **Chinese Strategic Presence:** China's infrastructure projects (e.g., Hambantota Port, Colombo Port City) have increased its leverage, raising India's security concerns.
- **Chinese Surveillance Vessels** (e.g., Yuan Wang-5, Shi Yan-6) raise concerns over dual-use

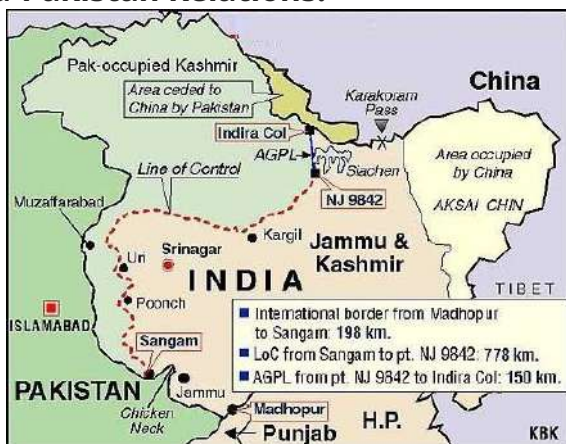
intelligence collection threatening Indian naval assets.

- **Fishermen Disputes:** Indian fishermen face arrests for entering Sri Lankan waters; disputes over **Kachchatheevu Island** and bottom-trawling persist.
- **Delayed Implementation of 13th Amendment:** Resistance from Sinhala nationalists and lack of devolution on land/police powers hinder Tamil reconciliation.
- **Public Sentiment:** Historical grievances and perception of India's dominance occasionally strain ties, especially in Tamil-majority areas.

Way Forward

- **Institutional Dialogue:** Use established mechanisms to resolve contentious issues like fishermen arrests and 13th Amendment implementation.
- **Revive ETCA (Economic and Technology Cooperation Agreement) Negotiations:** Fast-track economic integration to stabilize Sri Lanka's post-crisis economy.
- **Fishing Agreement Framework:** Establish regulated fishing zones, limited trawling days, and leaseback arrangements on **Kachchatheevu** to defuse maritime tension.
- **Energy Diplomacy:** Prioritize long-term energy interconnectivity, joint oil reserves, and pipeline projects to reduce Chinese dependency.
- **Counter Chinese Influence:** Expand India's economic footprint in strategic infrastructure, balancing Beijing's growing role.
- **People-centric Approach:** Enhance cultural outreach, scholarships, religious diplomacy, and tourism linkages to generate goodwill and trust.

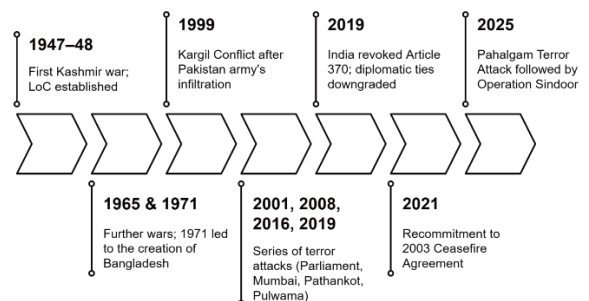
India-Pakistan Relations:



Historical Background

- Partition of British India in 1947 led to the creation of Pakistan and large-scale communal violence, sowing deep-seated animosity.
- Territorial dispute over Jammu & Kashmir has been the primary flashpoint, resulting in four wars (1947-48, 1965, 1971, 1999).
- Other unresolved territorial issues include Siachen Glacier and Sir Creek.
- Both nations declared themselves nuclear powers in 1998, leading to a deterrence-based balance.

Key Events in India-Pakistan Relations



Overview of India-Pakistan Relations:

- **Cross-Border Terrorism**
 - Core concern for India; persistent attacks linked to LeT, JeM based in Pakistan.
 - Notable attacks: Pulwama (2019), Uri (2016), Parliament (2001), Mumbai (2008), Pahalgam (2025).
 - India demands dismantling of terror infrastructure.
- **Recent Flashpoint: Operation Sindoor (May 2025)**
 - Triggered by Pahalgam attack (April 22, 2025) that killed 26 tourists.
 - India launched precision strikes on 9 terror targets in Pakistan & PoK using Rafale jets and SCALP missiles.
 - India suspended the Indus Waters Treaty and closed the main land border.
 - Pakistan retaliated with by suspending **Shimla Agreement**

- **Territorial and Water Disputes**

- **Kashmir:** Divided by the LoC, claimed in full by both sides.
- **Siachen Glacier:** India occupies key heights since Operation Meghdoot (1984).
- **Sir Creek:** Maritime boundary dispute in the Rann of Kutch.
- **Indus Waters Treaty:** Signed in 1960; India suspended participation in 2025 post-Pahalgam attack.

- **Economic and Trade Relations**

- Trade relations minimal and highly politicized.
- India granted MFN status in 1996, revoked in 2019 post-Pulwama.
- In 2025, India imposed complete ban on all direct/indirect imports from Pakistan.
- Bilateral trade dropped from \$3 billion (2018) to \$1.2 billion (2024).

- **Areas of Limited Cooperation**

- **Religious Tourism:** Kartarpur Corridor (opened 2019) allows Indian Sikh pilgrims visa-free access to Gurdwara Darbar Sahib.
- **Cultural/Sports Diplomacy:** Cricket diplomacy occasionally used as a confidence-building measure.
- **Regional Forums:** SAARC, SCO offer platforms for engagement, but often stalled by political friction.

- **Strategic Motivations for India**

- **Security of J&K and Punjab:** Prevent cross-border infiltration and radicalization.
- **Deterrence Posture:** Assert military preparedness through doctrines like surgical strikes, Balakot airstrikes, and Operation Sindoor.
- **Counter China's Strategic Depth:** Prevent further consolidation of Sino-Pak axis in Indian Ocean and Gilgit-Baltistan.

Challenges in Relations

- **Intractable Kashmir Dispute:**

- The Kashmir issue remains a core conflict, with both nations claiming the region in full, leading to diplomatic stalemates since the 1947 partition.
- Post-2019 abrogation of Article 370, Pakistan downgraded ties, suspending trade and

Shimla Agreement (1972) – In Short:

- **Date Signed:** 2nd July 1972
- **Between:** India (PM Indira Gandhi) and Pakistan (President Zulfikar Ali Bhutto)
- **Context:** After the 1971 India-Pakistan war which led to the creation of Bangladesh

Key Provisions:

- **Peaceful resolution:** Both countries agreed to resolve disputes **bilaterally** through **peaceful means**.
- **Respect for Line of Control (LoC):** Conversion of ceasefire line into the **LoC in Jammu & Kashmir**, which should not be violated.
- **Non-interference:** Commitment to **non-interference** in each other's internal affairs.
- **Withdrawal of troops:** Troops to be withdrawn to positions held before the 1971 war, except in Kashmir where LoC was formalized.
- **Promotion of normal relations:** Steps to be taken to restore diplomatic and trade ties.

recalling its envoy, viewing India's actions as unilateral. PM Modi's 2024 assertion that "Kashmir is an internal matter" further hardened Pakistan's stance.

- **Persistent State-Sponsored Terrorism:**

- Pakistan's alleged support for terrorist groups like Lashkar-e-Taiba and Jaish-e-Mohammed fuels cross-border attacks, such as the 2024 Pahalgam incident in Jammu & Kashmir, condemned by the UNSC.
- India's concerns persist over Pakistan's failure to dismantle terror sanctuaries, complicating trust-building. EAM Jaishankar noted in 2024 that "terrorism cannot be the policy of a state."

- **Escalation Risks Due to Nuclear Capabilities:**

- Both nations' nuclear arsenals, with India's 164 and Pakistan's 170 warheads (2024 estimates), raise fears of rapid escalation during crises, as seen in the 2019 Balakot airstrike response to Pulwama.
- The absence of robust nuclear dialogue increases risks of miscalculation, especially amid frequent ceasefire violations along the Line of Control (LoC).

- **Influence of Military in Pakistan's Foreign Policy:**

- Pakistan's military, particularly the ISI, exerts

significant control over foreign policy, often prioritizing anti-India narratives over civilian-led diplomacy.

- This influence limits progress on peace initiatives, as seen in stalled backchannel talks post-2021 LoC ceasefire, undermining India's efforts for dialogue. Modi emphasized in 2023 that "peace requires mutual commitment, not unilateral actions.

Way Forward

- **Sustained Dialogue:** Even if at low levels, engagement is necessary to avoid miscalculations.
- **Multilateral Engagement for Dialogue:**
- **Multilateral Engagement for Dialogue:** Engage constructively in multilateral forums like **SCO** to foster dialogue and trust. Joint counter-terrorism exercises under SCO's RATS can address shared security concerns.
- **Confidence Building Measures (CBMs):** Hotline communication, ceasefire pacts, visa relaxations.
- **Track-II Diplomacy:** Cultural, academic, and sports exchanges can rebuild trust.
- **Water Cooperation:** Revise or renegotiate IWT provisions with modern hydrological realities.
- **Counter-Terrorism Assurance:** Pakistan must act against terror outfits for any long-term peace.

India-China Relations:



Historical Context

- Diplomatic ties were formally established in 1950; 2025 marks the 75th anniversary of India-China diplomatic relations.
- Early ties were shaped by the Panchsheel

Agreement (1954), but soon deteriorated with the 1962 Sino-Indian War.

- Border disputes, ideological differences, and China's support to Pakistan have periodically strained ties.

Overview of India-China Relations

- **Recent Developments (2024-2025)**
 - **75th Anniversary Initiatives:** Foreign Secretaries met in January 2025 to launch year-long commemorative diplomacy, including cultural exchanges, think-tank dialogues, and media outreach.
 - **Resumption of Kailash Mansarovar Yatra** (via Nathu La) announced for June 2025, indicating limited thaw.
 - **Hydrological Cooperation:** Agreement to resume timely sharing of data on trans-border rivers like the Brahmaputra.
 - **Air Connectivity:** Direct commercial flights between India and China to resume in mid-2025 after years of suspension.
- **Core Areas of Tension**
 - **Unsettled Borders:** The Line of Actual Control (LAC) remains undefined and contested; disputes persist in Aksai Chin and Arunachal Pradesh.
 - **Military Confrontations:** Clashes in Galwan Valley (2020) and Tawang (2022) highlighted continued volatility.
 - **China-Pakistan Nexus:** CPEC passes through Indian-claimed territory in PoK, violating Indian sovereignty.
 - **Economic Imbalance:** India's trade deficit with China reached \$85 billion in 2023-24, reflecting dependency concerns.
 - **China's Assertiveness in South Asia:** Strategic footprint in Sri Lanka, Maldives, and Nepal under BRI and 'String of Pearls' strategy threatens India's maritime security.
- **Security and Strategic Concerns**
 - **Depsang and Demchok Agreement:** In 2024, both sides agreed to partial de-escalation and restoration of patrolling rights in contested areas.
 - **Infrastructure Race:** India is accelerating LAC infrastructure including border roads and advanced landing grounds.

- **China's Military Posturing:** Aggressive PLA maneuvers and infrastructure buildup along the LAC remain key challenges.
- **Chinese Dual Role in Conflicts:** During India-Pakistan tensions in 2025, Chinese-supplied J-10C fighter jets and missile systems were used by Pakistan, indirectly impacting India-China trust.
- **Economic Interdependence**
 - China remains India's largest trading partner despite strategic mistrust.
 - India has a huge trade deficit with China. It is an important concern between two nations.

Rising Trade Deficit and Import Dependence on China

- **Context :** India's trade deficit with China widened to a record \$99.2 billion in fiscal year 2024-25, driven by a surge in imports of electronics, batteries, and solar components while exports to China declined.
- **Erosion of Domestic Manufacturing Capacity:** Influx of **cheap, subsidized Chinese imports** poses a severe challenge to India's MSMEs and industrial sectors such as **steel, electronics, and chemicals**, leading to **market distortion** and **loss of competitiveness**.
- **Strategic and Structural Dependency:** Persistent trade imbalance reflects a **critical dependence on Chinese supply chains**, especially for essential components like APIs (pharmaceuticals) and electronics, making India vulnerable during **geopolitical tensions** or **supply disruptions**.
- **National Security Implications:** Economic dependence can be **leveraged by China during diplomatic negotiations**, particularly in sensitive areas such as **border disputes**, cyber infrastructure, or strategic assets.
- **Circumvention of Global Trade Rules:** India risks becoming a **transit hub for Chinese goods** to bypass **US tariffs**, potentially **damaging India-US trade relations** and inviting scrutiny from international regulators.
- **Risk of Market Flooding and Dumping:** With **rising protectionism in Western markets**, Chinese firms may redirect exports to India, increasing risks of **price dumping**, harming domestic producers and distorting fair market competition.

- **Environmental and Water Diplomacy**
 - China's Medog Hydropower Station on the Yarlung Tsangpo (Brahmaputra) raises concerns about downstream impact.
 - Agreement to resume real-time flood data sharing is a step towards cooperative hydro-diplomacy.
- **Multilateral and Regional Engagements**
 - Both are active in BRICS, SCO, and G20; these platforms offer spaces for engagement despite bilateral tensions.
 - India remains wary of Chinese dominance in SCO and uses platforms like QUAD and IPEF to balance Beijing's influence.
- **People-to-People Exchanges**
 - 2025 will see renewed cultural engagement: resumption of student exchanges, academic dialogues, and public diplomacy programs.
 - Kailash Mansarovar Yatra's restart and new academic MoUs aim to revive civil society cooperation.

Way Forward

- **Border Management:** Further clarify the LAC through sustained dialogue and confidence-building measures.
- **Strengthen Diplomatic Channels:** Actively engage in platforms like BRICS and SCO to sustain dialogue and build trust. Collaborative SCO initiatives on counter-terrorism can address mutual security concerns.
- **Economic Balancing:** Diversify supply chains and monitor sensitive sector investments.
- **Regional Strategy:** Strengthen SAGAR, Act East Policy, and QUAD to ensure strategic autonomy.
- **Constructive Engagement:** Use occasions like the 75th anniversary to stabilize ties through soft diplomacy.

Keywords : Strategic Autonomy, Hydropower Diplomacy, Cross-Border Terrorism, Indo-Pacific Strategy, Humanitarian Assistance, Line of Credit, People-to-People Ties,, Cultural Diplomacy, Border Disputes, Trade Imbalance, Regional Integration, Geostrategic Buffer, Belt and Road Initiative, Soft Power Diplomacy

Mains Practice Questions :

Q1.What role can multilateral forums like SCO and SAARC play in easing India–Pakistan tensions?

Q2.Critically assess India’s strategy to counterbalance China’s influence in South Asia and the Indian Ocean Region.

Q3.Assess the implications of China’s growing economic influence in Bangladesh for India’s strategic calculus.

Introduction

India's *Extended Neighbourhood* refers to regions beyond its immediate borders—such as ASEAN, Central Asia, West Asia, Africa, and the Indian Ocean Region—with which it shares historical, cultural, and strategic ties. It complements the 'Neighbourhood First' policy and strengthens India's global outreach through initiatives like Act East, Connect Central Asia, and SAGAR.

Strategic Importance of Extended Neighbourhood

- **Geostrategic Leverage:** Ensures India's presence in critical maritime routes and chokepoints such as the Strait of Hormuz, Bab-el-Mandeb, and Malacca Strait — crucial for trade and naval reach.
- **Energy Security:** Over 60% of India's crude oil imports come from West Asia; Central Asia offers untapped potential for gas pipelines and renewables (e.g., TAPI project).
- **Trade and Investment Expansion:** ASEAN, GCC, and Africa are among India's largest trade partners. India is negotiating FTAs/CEPAs with key blocs to reduce overdependence on China.
- **Counterbalancing China's Influence:** Engagement through forums like IORA, India-Central Asia Dialogue, and Indo-Pacific cooperation counters China's BRI and reinforces strategic autonomy.
- **Diaspora Diplomacy:** Strong Indian diaspora communities in UAE, Saudi Arabia, Malaysia, Mauritius, South Africa, and East Africa act as cultural and economic bridges.
- **Maritime Security and SAGAR Vision:** Engagement with IOR littorals (e.g., Seychelles, Mauritius, Sri Lanka) strengthens India's SAGAR (Security and Growth for All in the Region) doctrine and deters piracy and naval encirclement.
- **Connectivity and Transit Corridors:** Projects like **Chabahar Port** (Iran), **INSTC** (International North-South Transport Corridor), and **India-Myanmar-Thailand Highway** enhance regional connectivity.
- **Food and Nutritional Security:** Ties with East and Southern African countries help ensure

stable imports of pulses and edible oils, crucial for India's food basket.

- **Strategic Military Access:** Access to naval facilities (e.g., Duqm Port in Oman, Agalega in Mauritius) supports forward military presence and logistics in the Indo-Pacific.
- **Multilateral Partnerships:** Collaboration with extended neighbourhood countries in groupings like I2U2 (India-Israel-UAE-USA), BRICS, SCO, and BIMSTEC enhances India's diplomatic bandwidth.
- **Climate and Development Cooperation:** Africa and Small Island Developing States (SIDS) in the IOR are key partners in the **International Solar Alliance (ISA)** and **Coalition for Disaster Resilient Infrastructure (CDRI)**.
- **Technology and Digital Cooperation:** India exports fintech (like UPI integration in UAE, Mauritius, Singapore), digital public infrastructure, and capacity-building modules to partner countries.

Major Initiatives in Extended Neighbourhood

1. Act East Policy (ASEAN & Indo-Pacific)

- Launched in 2014 as a strategic upgrade of the Look East Policy.
- Focuses on strengthening political, economic, and security ties with ASEAN, East Asia, and Indo-Pacific partners.
- Key initiatives: India-Myanmar-Thailand Trilateral Highway, Kaladan Project, Indo-Pacific Oceans Initiative (IPOI), and defence exercises like MILAN, SIMBEX, and AUSINDEX.

Comparison between the Look East Policy and the Act East Policy:

Parameter	Look East Policy	Act East Policy
Launched By	PM Narasimha Rao (1991)	PM Narendra Modi (2014)
Primary Objective	Economic integration with Southeast Asia	Strategic, economic & security cooperation with Indo-Pacific
Focus Region	ASEAN countries	ASEAN + East Asia + Oceania

		(e.g., Japan, Australia)
Nature of Engagement	Primarily economic and trade-oriented	Multi-dimensional: strategic, political, cultural, and defence
Approach	Passive and reactive	Active and assertive
Strategic Component	Limited	Strong focus on defence & maritime cooperation
India's Role	Regional partner	Regional & global power projection
Connectivity Projects	Initiated but limited progress	Boosted with projects like IMT Highway, Kaladan Corridor
Institutional Linkages	ASEAN dialogue partnership	Participation in EAS, ADMM+, Quad, IORA, Indo-Pacific Oceans Initiative
Geopolitical Context	Post-Cold War Asia-Pacific integration	Countering China's rise in Indo-Pacific & asserting SAGAR vision
Examples of Cooperation	ASEAN FTA, BIMSTEC	India-Vietnam Defence Cooperation, Act Far-East (Russia), I2U2

2. Connect Central Asia Policy

- Launched in 2012 to deepen ties with resource-rich Central Asian Republics (CARs).
- Emphasizes energy cooperation, counterterrorism, and regional connectivity.
- Institutionalised through the annual **India-Central Asia Dialogue** (since 2019) and joint working groups on Chabahar and INSTC.

3. SAGAR – Security and Growth for All in the Region

(Announced by PM Narendra Modi in 2015)

- **Objective:** To establish India as a net security provider in the Indian Ocean Region (IOR) and ensure peace, stability, and sustainable development among littoral nations.
- **Key Pillars:**
 - **Maritime Security:**
 - Enhancing surveillance, anti-piracy operations, and naval capacity building in IOR countries.
 - Bilateral logistics pacts with countries like Singapore, Oman, and France.
 - **Capacity Building & HADR:**
 - India assists IOR nations in **Humanitarian Assistance and Disaster Relief (HADR)** and **Search and Rescue (SAR)** missions.
 - *E.g.*, Post-cyclone relief in Madagascar, Mauritius, and Mozambique.
 - **Blue Economy Cooperation:**
 - Promoting sustainable fisheries, marine resource sharing, and climate-resilient development.
 - Supported through Indian Ocean Rim Association (IORA).
 - **Naval Diplomacy:**
 - Regular naval deployments, joint exercises (e.g., MILAN, IBSAMAR), and gifting patrol vessels to Maldives, Seychelles, and Mauritius.
 - **Strategic Infrastructure Support:**
 - Coastal radar network in Maldives, Mauritius, and Sri Lanka.
 - Port development assistance (e.g., Chabahar in Iran, Sittwe in Myanmar).
- **Key Initiatives Under SAGAR:**
 - **Mission Sagar** (2020): COVID-related medical and food aid to Maldives, Mauritius, Comoros, Seychelles, and Madagascar.
 - **SAGAR-MALA** synergy: Integration with India's domestic port-led development initiative.
- **Strategic Significance:**
 - **Countering China's Maritime Expansion:** Helps India push back against China's **String of Pearls** strategy and expanding naval presence in the Indian Ocean through

- port infrastructure diplomacy and strategic deployments.
- **Enhancing India's Role as a Net Security Provider:**
Reinforces India's image as a **first responder** in crises—whether natural disasters, medical emergencies (e.g., Mission Sagar), or anti-piracy patrols.
 - **Securing Sea Lanes of Communication (SLOCs):**
The IOR handles over **70% of global oil shipments**; India's maritime diplomacy helps secure vital commercial and energy routes.
 - **Regional Balancing in Indo-Pacific:**
Aligns with India's **Indo-Pacific Oceans' Initiative (IPOI)** and broader Quad objectives, promoting freedom of navigation and rules-based maritime order.
 - **Strategic Access and Military Footprint:**
Enables India to access or build facilities in **Duqm (Oman), Agalega (Mauritius)**, and establish radar networks and logistics agreements—strengthening strategic depth.
 - **Strengthening Partnerships with Small Island States (SIDS):**
Builds goodwill and long-term cooperation with island nations vulnerable to climate change and strategic neglect (e.g., Maldives, Seychelles, Madagascar).
 - **Boost to Defence Exports and Naval Diplomacy:**
India's gifting of patrol vessels, offshore surveillance platforms, and training programs enhances defence credibility and arms export potential.
 - **Promotes SAGAR as a Multidimensional Framework:**
Goes beyond security—addresses economic development, blue economy, climate change, and digital connectivity, making it a holistic regional policy.
 - **Improves India's Leverage in IORA:**
Strengthens India's leadership within **Indian Ocean Rim Association (IORA)**, influencing regional norms and cooperation agendas.
 - **Geopolitical Soft Power Projection:**
Acts as a diplomatic tool to consolidate India's presence in **Africa–West Asia–Southeast Asia maritime arc**, helping India transition from a continental to a maritime power.
- #### 4. Africa Outreach Initiatives
- Encompasses development partnership, capacity building, and diplomatic expansion in Africa.
 - Key components: India–Africa Forum Summit, Pan-African e-Network, and concessional lines of credit.
 - Supports health, agriculture, IT, and solar energy infrastructure through the **ISA** and **e-VBAB** network.
- #### 5. International North–South Transport Corridor (INSTC)
- **Overview**
 - A **multi-modal trade corridor** connecting **India, Iran, Central Asia, Russia, and Europe**.
 - Includes **sea, rail, and road routes** to facilitate cargo movement from **Mumbai to Moscow** via **Chabahar Port (Iran), Caspian Sea, and Russia**.
 - Initially signed in **2002** by India, Iran, and Russia; now includes over **13 member countries**.
 - **Key Objectives**
 - **Reduce transport cost and time** compared to the traditional Suez Canal route.
 - Improve connectivity with **Central Asia, Eurasia, and Europe**.
 - Provide **alternative trade routes** to bypass Pakistan and counter China's BRI.
 - **Route Details**
 - **Mumbai → Chabahar (Iran) → Bandar Anzali → Caspian Sea → Astrakhan (Russia) → Moscow and beyond**.
 - Integrates with other connectivity initiatives like **Chabahar Port, India-Iran-Afghanistan trilateral**, and **Eurasian Economic Union** corridors.



- **Strategic Significance**

- **Bypasses Pakistan:** Gives India direct access to Afghanistan, Central Asia, and Europe, bypassing hostile Pakistani territory.
- **Boosts Act East and Connect Central Asia Policies:** Connects India's westward and northward strategic interests into a unified corridor.
- **Alternative to BRI:** INSTC is India's answer to China's Belt and Road Initiative, promoting a rules-based, transparent, and inclusive infrastructure network.
- **Trade Efficiency:**
 - Reduces transit time by **30–40%** and costs by **20–30%** compared to traditional shipping via the Suez Canal.
 - Pilot shipment from Mumbai to Baku (Azerbaijan) via Chabahar and Bandar Abbas proved route viability.
- **Energy Security:** Provides easier access to energy-rich regions like **Iran, Russia, and Central Asia.**
- **Geopolitical Balancing:**
 - Strengthens ties with **Russia and Iran** amidst shifting global alliances.
 - Vital for India's engagement with the **Eurasian Economic Union** and **Shanghai Cooperation Organisation.**
- **Economic Integration:** Promotes trade in pharmaceuticals, engineering goods, textiles, food, and oil products between India and Eurasian markets.
- **Recent Developments (as of 2024–2025)**
 - India operationalized first **block trains to Russia via Iran**, demonstrating logistical feasibility.

- Iran's **Rasht–Astara rail link**, key to completing INSTC, is under active development with Russian and Indian support.
- INSTC is gaining traction amid disruptions in the **Red Sea and Black Sea** due to geopolitical conflicts.

Challenges in INSTC Implementation

- **Incomplete Infrastructure:**
 - The **Rasht–Astara railway** in northern Iran, a crucial missing link, has been **delayed for years** due to financial and engineering difficulties.
 - The segment involves construction of **22 tunnels and 15 bridges**, making it one of the most technically demanding parts of the corridor.
- **Gauge Incompatibility:**
 - **Russia and former Soviet republics use a different rail gauge** than Iran, necessitating transshipment or technical adjustments, adding to logistical delays and costs.
- **Financial Constraints:**
 - Both **Iran and Russia face Western sanctions**, limiting their ability to finance large-scale infrastructure projects or attract foreign investment.
 - International investors remain wary of **sanction risks** and legal uncertainties in Iran.
- **Geopolitical Volatility:**
 - **Iran–Azerbaijan tensions** over allegations of political interference and border provocations complicate cooperation along the key Caspian segment.
 - The **Armenia–Azerbaijan conflict** in the Caucasus region further undermines stability along the corridor.
- **Lack of Unified Institutional Mechanism:**
 - INSTC lacks a strong, binding institutional framework like the EU's TEN-T, making coordination across multiple jurisdictions fragmented and inconsistent.
- **Low Cargo Volumes and Commercial Viability:**
 - Despite pilot runs, regular trade volumes via INSTC remain low, raising questions about its long-term **commercial sustainability** without consistent political support.

- **Port and Customs Bottlenecks:**
 - Ports like **Chabahar** and **Bandar Abbas** require modernization and improved customs integration to reduce clearance times and increase throughput.
- **Competing Corridors:**
 - INSTC faces competition from **China's Belt and Road Initiative (BRI)**, which has more funding, established logistics hubs, and political backing across Eurasia.

India's Relations with its extended neighbours

1. India-Iran Relations



Historical background

- India and Iran share millennia-old civilizational links in trade, religion, art, architecture, and literature.
- Persian was the court language of many Indian empires, influencing Urdu and other Indian languages.
- The **Parsi community**, of Iranian origin, continues to play a prominent role in Indian society.
- Shared cultural roots through Sufism and Indo-Persian art and philosophy.

Area of Cooperation

- **Political and Diplomatic Engagement**
 - Formal diplomatic ties were established in 1950.
 - Regular high-level exchanges have taken place, including Foreign Minister-level and NSA-level strategic dialogues.
 - Both countries are part of multilateral forums like **NAM**, **SCO**, and **INSTC**, and support

multipolar global governance.

- **Economic and Energy Cooperation**
 - **Crude Oil Trade:** Iran was once India's third-largest oil supplier. However, US sanctions since 2019 have forced India to halt imports.
 - **Chabahar Port Development:** India is developing this port as a gateway to Afghanistan and Central Asia, bypassing Pakistan.
 - **International North-South Transport Corridor (INSTC):** Multi-modal route to connect India with Central Asia, Russia, and Europe via Iran.
 - India also assists in building **rail connectivity between Chabahar and Zahedan**, linking it to the broader INSTC.
- **Strategic and Security Cooperation**
 - **Afghanistan Stability:** Both countries historically supported the Northern Alliance; share concerns over Taliban extremism and regional terrorism.
 - **Counterterrorism Cooperation:** Intelligence sharing and border security cooperation have occurred, especially concerning drug trafficking and insurgency.
 - **Regional Balancing:** India leverages ties with Iran to offset China's influence in Pakistan and the Gulf.
- **Cultural and Educational Cooperation**
 - Iran sends a significant number of students to Indian universities.
 - India supports cultural outreach through ICCR and Persian studies departments in Indian institutions.
 - Mutual pilgrimage visits to Shia holy shrines in Iran and Sufi sites in India.
- **Connectivity Cooperation**
 - **Chabahar Port:** Operationalized for limited cargo movement; potential for becoming a hub for Indo-Afghan-Central Asian trade.
 - **INSTC:** Aims to cut cargo transit time between India and Russia by nearly 40%. India has sent pilot cargo shipments via Iran-Caspian-Russia route.
 - Delay in **Rasht-Astara rail link** and Iran-Azerbaijan tensions are bottlenecks.

Challenges in India–Iran Relations

- **U.S. Sanctions:**
 - Primary hurdle limiting trade, banking, and energy engagement.
 - In 2018 India's oil imports from Iran was halted due to fear of secondary sanctions.
- **Geopolitical Balancing:** India's growing ties with the US, Israel, and Saudi Arabia require delicate balancing to avoid alienating Iran.
- **China Factor:** Iran signed a 25-year strategic partnership with China, including military and economic cooperation, potentially reducing India's strategic space.
- **Slow Progress on Projects:** Chabahar Port and INSTC face operational delays due to lack of funds, technical difficulties, and geopolitical complications.
- **Iran–Azerbaijan Tensions:** Regional instability in the Caucasus affects the Rasht–Astara section of INSTC, crucial for northward trade.
- **Iran–Pakistan Ties:** Though wary of each other, Iran's engagements with Pakistan on border security and connectivity may dilute India's leverage.
- **Internal Political Volatility in Iran:** Domestic unrest, economic instability, and political unpredictability complicate sustained bilateral engagement.
- **Absence of Trade Payment Mechanism:** Lack of a viable rupee-rial or alternative currency trade system hampers large-scale transactions.

Way Forward

- **Strategic Autonomy:** Maintain balanced engagement with Iran despite pressure from Western allies.
- **Strengthen Chabahar–INSTC Linkages:** Accelerate pending infrastructure and rail development with regional partners.
- **Oil Trade Resumption Mechanism:** Explore barter or alternate payment systems post-sanctions easing.
- **Joint Regional Outreach:** Coordinate on Afghanistan stability and counterterrorism frameworks.
- **Cultural Diplomacy:** Deepen people-to-people ties through education, art, and heritage partnerships.

- **Leverage SCO and INSTC:** Use multilateral forums to deepen regional integration and de-dollarized trade.

2. India–Saudi Arabia Relations



Historical background

- Diplomatic relations were formally established in **1947**, rooted in centuries-old trade and cultural exchanges.
- **Delhi Declaration (2006):** Marked a significant upgrade in ties during King Abdullah's visit.
- **Riyadh Declaration (2010):** Elevated bilateral engagement to a **Strategic Partnership**.
- **Strategic Partnership Council (SPC)** established in **2019**, co-chaired by heads of government, with two verticals: Political-Security and Economy-Investment.

Area of Cooperation

- **Economic and Energy Cooperation**
 - **Bilateral Trade:**
 - Over **USD 43 billion** in FY 2023–24.
 - Saudi Arabia is India's **fourth-largest trading partner** and a top supplier of crude oil and LPG.
 - **Investments:**
 - Saudi Arabia pledged investments of **USD 100 billion** in India across sectors like petrochemicals, mining, and infrastructure.
 - India's investments in Saudi Arabia span IT, telecommunications, and project exports.
 - **Energy Partnership:**
 - Saudi Arabia is India's **third-largest crude oil supplier**.
 - Collaboration underway in **strategic**

petroleum reserves and green hydrogen initiatives.

- **Defence and Security Cooperation**
 - **Joint Exercises:** Conducted **Ex-SADA TANSEEQ** (Army) and **Al Mohed Al Hindi** (Naval) exercises.
 - Enhanced interoperability and maritime domain awareness.
 - **Counterterrorism & Intelligence Sharing:** Institutional mechanisms for **extremism prevention, anti-money laundering, and terror financing.**
 - **Cybersecurity and Defense Industry :** Emerging areas of cooperation in cyber defense and co-development under 'Make in India'.
- **Cultural and People-to-People Ties**
 - **Indian Diaspora:**
 - Over **2.6 million Indians** live in Saudi Arabia, the largest expatriate community there.
 - They contribute significantly to India's remittance inflow and Saudi economic sectors like healthcare, construction, and IT.
 - **Religious and Cultural Exchanges:**
 - Annual **Hajj quota** of over 200,000 pilgrims from India.
 - Recognition of yoga as a sport and growing acceptance of Indian culture and education.
- **Strategic and Regional Cooperation**
 - **IMEC (India-Middle East-Europe Economic Corridor):** Launched during G20 Summit 2023 to boost connectivity via ports and railways from India to Europe via UAE and Saudi Arabia.
 - **Vision 2030 & Viksit Bharat 2047:** Complementary national visions focusing on economic diversification, tech partnership, renewable energy, and infrastructure.
 - **Multilateral Cooperation:** Engagement through **G20, OIC (as observer), and UN platforms** on counter-terrorism and development goals.

Challenges in India-Saudi Arabia Relations

- **Trade Imbalance:** India faces a **large trade deficit**, primarily due to high hydrocarbon imports with relatively lower exports. In FY2023-24, the deficit was nearly USD 20 billion, with total

trade standing at USD 42.98 billion. India's exports to Saudi Arabia were USD 11.56 billion, while imports were USD 31.42 billion.

- **Labor Rights Concerns:** Incidents of wage delays, contract violations, and substandard living conditions among Indian workers in Saudi Arabia's low-skilled sectors.
- **Geopolitical Balancing:** Saudi Arabia's **close ties with Pakistan**, especially on Islamic forums like OIC, occasionally conflict with India's core concerns (e.g., Kashmir stance).
- **Volatile Gulf Politics:** Tensions between Saudi Arabia and Iran, or Saudi-Yemen conflict, create regional instability affecting Indian expatriates and energy flows.
- **Visa and Mobility Restrictions:** Professional barriers and restricted employment categories impact high-skilled Indian workforce seeking Gulf opportunities.
- **Dependence on Hydrocarbons:** Overreliance on energy imports limits diversification and makes economic relations vulnerable to oil price fluctuations and climate diplomacy shifts.
- **Slow FDI Actualization:** While announced Saudi investments in India are large, **actual materialization remains modest**, partly due to bureaucratic and regulatory bottlenecks.

Way Forward

- **Diversify Economic Ties:** Expand cooperation in **renewables, fintech, education, pharma, and semiconductors** to reduce oil dependency.
- **Labour Welfare Framework:** Strengthen the **eMigrate system**, MoUs on labor rights, and grievance redressal mechanisms for Indian workers.
- **Strategic Dialogue Expansion:** Institutionalize **2+2 level talks**, and deepen engagement under the **Strategic Partnership Council.**
- **People-Centric Diplomacy:** Promote cultural diplomacy through exchanges, scholarships, and Indian language education in Saudi universities.
- **Energy Security & Transition:** Collaborate on **green hydrogen, solar projects, and strategic oil reserves** under a long-term energy transition roadmap.
- **Regional Diplomacy Balancing:** Maintain consistent engagement with both Saudi Arabia

and Iran, while asserting national interests on multilateral platforms.

3. India-UAE Relations



Historical background

- Diplomatic ties were established in **1972**. Relations deepened significantly post **PM Modi's 2015 visit**, the first Indian PM visit to UAE in 34 years.
- In **2023**, UAE President Mohamed bin Zayed Al Nahyan visited India as the **chief guest for the G20 Summit**—underscoring strategic trust.
- The relationship was elevated to a **Comprehensive Strategic Partnership** in **2017**.

Area of Cooperation

- **Economic and Trade Cooperation**
 - **Trade Volume:**
 - UAE is **India's 3rd largest trading partner** (after the US and China).
 - **Bilateral trade** reached **USD 85 billion** in **FY 2022-23**, with the target of **USD 100 billion non-oil trade by 2027**.
 - **Comprehensive Economic Partnership Agreement (CEPA):**
 - Signed in **2022**, came into effect in **May 2022**.
 - Led to **non-oil trade crossing USD 50 billion** in just one year (2022-23).
 - Tariff elimination on **90% of Indian exports**, including gems, jewelry, textiles, and food products.
 - **Investment:**
 - UAE is among the **top 10 FDI contributors** to India.
 - UAE sovereign wealth funds have invested

- in Indian infrastructure (e.g., **ADIA in NIIF, DP World in Indian ports**).
- **Currency Agreement:** In **July 2023**, India and UAE signed a **local currency settlement system** (INR-AED), reducing dependence on USD.
- **Energy and Infrastructure Cooperation**
 - UAE is a key energy partner:
 - Supplies **6% of India's crude oil** and **over 9% of LPG imports**.
 - India has invested in **UAE's strategic oil reserves** at Fujairah.
 - Collaboration underway in **green hydrogen, solar energy, and smart grids** under UAE's **Energy Strategy 2050**.
 - **Infrastructure:**
 - UAE's **DP World** has invested **USD 3 billion+** in India's ports, logistics, and warehousing.
 - UAE is a major partner in India's **smart city projects** and **NIIF (National Investment and Infrastructure Fund)**.
- **Defence and Security Cooperation**
 - **Joint Exercises:**
 - **Desert Flag** (Air Exercise): India participated with Su-30MKIs in 2021, 2022, and 2023.
 - **Zayed Talwar** (Naval Exercise): Bilateral naval exercise in the Persian Gulf for maritime security.
 - **Desert Cyclone** (Army Exercise): 1st-ever bilateral Army exercise held in **Rajasthan in 2024**.
 - **Counterterrorism Cooperation:** UAE has **deported wanted terrorists** to India and cooperates closely on **intelligence sharing, cyber threats, and terror financing**.
- **Cultural and People-to-People Ties**
 - **Indian Diaspora:**
 - Largest expatriate community in UAE — **approx. 3.5 million Indians** (30% of UAE population).
 - Indian remittances from UAE: approx. **USD 17 billion annually**.
 - **Religious and Cultural Diplomacy:**
 - UAE allocated land for the **first Hindu temple in Abu Dhabi** (BAPS Mandir), inaugurated in **February 2024**.

- UAE declared **Hindi as a third official language in courts** in **2019**, alongside Arabic and English.
- **Education and Health:** Partnerships in higher education and telemedicine services under India's **Digital Public Infrastructure (DPI)** model.
- **Strategic and Multilateral Cooperation**
 - **I2U2 Grouping (India–Israel–UAE–USA):**
 - Focus on **food corridors, clean energy, infrastructure, and tech innovation.**
 - UAE to invest **USD 2 billion** in developing integrated food parks in India.
 - **IMEC (India–Middle East–Europe Economic Corridor):**
 - Announced at **G20 Summit 2023.**
 - India–UAE to be linked via **green shipping lanes**, extending toward Europe.
 - **Maritime and Cybersecurity:**
 - Shared interest in maintaining **freedom of navigation** in the Gulf and Red Sea.
 - UAE collaborates with India on **cyber defense frameworks** and secure digital platforms.

to **services and digital trade.**Incentivize UAE investments in **Indian manufacturing, semiconductors, and clean tech.**

- **Diaspora Welfare:** Enhance worker protections through **MoUs**, grievance redressal mechanisms, and digital labor contracts via the **eMigrate portal.**
- **Strengthen Security Dialogue:** Institutionalize 2+2 dialogues; expand cooperation in **space, cybersecurity, and counterterrorism.**
- **Cultural Diplomacy and Education:** Promote Indian languages, yoga, Ayurveda, and university partnerships in UAE's education hubs.
- **Connectivity and IMEC Operationalization :** Prioritize maritime and rail links under IMEC; leverage India's port capacity and UAE's logistic strength.

Keywords : Extended Neighbourhood, Indo-Pacific Oceans Initiative, Blue Economy, Diaspora Diplomacy, Food and Energy Security, Defence Diplomacy, Free Trade Agreements (FTA/CEPA), Green Hydrogen Diplomacy, Comprehensive Strategic Partnership, Geopolitical Balancing.

Challenges in Bilateral Relations

- **Trade Imbalance:** India runs a **trade deficit**, primarily due to oil imports, despite rising non-oil trade.
- **Labor Rights and Welfare:** Although reforms are in place, **low-skilled Indian workers** continue to face challenges like delayed wages, contract disputes, and lack of legal recourse.
- **Regional Volatility:** UAE's proximity to West Asian conflict zones, and its varying stance in Middle East geopolitics, sometimes requires delicate diplomacy.
- **Overdependence on Energy and Remittances:** India must diversify the economic base beyond hydrocarbons and diaspora remittances to sustain long-term resilience.
- **Geopolitical Balancing:** Managing ties with UAE while maintaining relations with **Iran**, especially amid West Asia's evolving alignments (e.g., UAE's ties with Israel and Saudi-Iran reconciliation).

Mains Practice Questions :

Q1.Compare and contrast the Look East and Act East Policies of India. How has the latter enhanced India's strategic positioning in Southeast Asia?

Q2.India–UAE ties have evolved into a comprehensive strategic partnership. Discuss the role of CEPA and I2U2 in strengthening bilateral and multilateral cooperation.

Way Forward

- **Broaden Economic Engagement:** Expand CEPA

In news

India - Nepal

- Recently, China and Nepal activated a framework agreement under the Belt and Road Initiative (BRI) to enhance infrastructure and trade connectivity.

India - Bhutan

- In April 2025, Bhutan's King visited Assam to inspect key infrastructure projects, including the Inland Waterways Terminal and Multimodal Logistics Park, aimed at boosting regional connectivity.
- Earlier this year, India and Bhutan reviewed ongoing boundary-related fieldwork and agreed on plans for the upcoming survey seasons.

India - Maldives

- Recently, the Maldives activated a Free Trade Agreement with China, prompting concerns from India over growing Chinese influence and economic impact.
- In response to the Maldives' financial crisis, India extended \$50 million in budgetary support through a treasury bill rollover.
- Recently, the Maldivian Foreign Minister visited India for the second India-Maldives High-Level Core Group meeting, focusing on maritime security and economic cooperation.

India - Myanmar

- In the aftermath of a major earthquake in March 2025, India launched "Operation Brahma," sending medical teams, relief supplies, and establishing a 200-bed field hospital in Myanmar.

India - Bangladesh

- India and Bangladesh's diplomatic ties have deteriorated following the ousting of former Prime Minister Sheikh Hasina. The new leadership in Dhaka is reportedly aligning more closely with Beijing and Islamabad, leading to increased tensions with New Delhi.
- Recently, Bangladesh canceled a \$21 million defense deal with an Indian shipbuilder amid rising bilateral tensions.

India - Pakistan

- Recently India asserted that the Indus Waters Treaty with Pakistan will remain in "abeyance" until Islamabad "credibly and irrevocably" abjures support to cross-border terrorism as "water and blood" cannot flow together.
- Recently, India launched military strikes under

"Operation Sindoor" targeting terror camps in Pakistan after a militant attack in Pahalgam.

- India is pushing for Pakistan's return to FATF's grey list and opposing its access to World Bank loans.

India - Afghanistan

- India has recently resumed visa services for Afghan nationals, prioritizing medical cases.

India - China

- 2025 marks 75th Anniversary of India - China Diplomatic Relations

Global Best Practices for Neighbourhood Relations

1. European Union (EU) Integration Model

- **Relevance:** Deep regional integration through shared institutions, economic cooperation, and open borders.
- **Lesson for India:** Promote sub-regional integration (like BBIN) and economic interdependence in South Asia to reduce conflicts and build trust.

2. Norway-Russia Maritime Boundary Agreement (2010)

- **Relevance:** Peaceful settlement of a 40-year-old maritime dispute in the Barents Sea.
- **Lesson for India:** Can guide maritime border dispute resolution with Bangladesh (already resolved) and Sri Lanka.

3. ASEAN Model of Regional Cooperation

- **Relevance:** Non-interference, consensus-based decision-making, and economic community building among diverse countries.
- **Lesson for India:** Encourage similar cooperation mechanisms in South Asia to bypass political stalemates.

4. US-Canada Border Management

- **Relevance:** The longest undefended border with highly efficient and cooperative security mechanisms.
- **Lesson for India:** Potential model for managing borders with Bhutan and Nepal while improving trust and mobility.

5. Aman Ki Asha (India-Pakistan Media Peace Initiative)

- **Relevance:** Cross-border cultural diplomacy promoting peace through media and civil society.

- **Lesson for India:** Encourage more Track-II diplomacy initiatives across all neighboring countries, especially with Pakistan.

6. USA-Mexico Joint Security Initiative (Mérida Initiative)

- **Relevance:** Collaborative effort to fight transnational crime and drug trafficking.
- **Lesson for India:** Similar regional security frameworks could help in dealing with terrorism, drug trade, and human trafficking in the region.

7. Nordic Council

- **Relevance:** Regional bloc of small countries with a focus on shared welfare, mobility, and environmental standards.
- **Lesson for India:** Promote regional cooperation among South Asian nations on common issues like disaster management, public health, and environment.

8. MERCOSUR (South America's Common Market)

- **Relevance:** Economic integration to boost trade and collective development.
- **Lesson for India:** Push for a South Asian Economic Union to strengthen economic ties in the region.

Acronym

SHARE (Framework for Strengthening Ties with Neighbours)

- **S** – Security Cooperation
- **H** – Humanitarian Assistance
- **A** – Alignment on Global Issues
- **R** – Regional Connectivity
- **E** – Economic Integration

BRIDGE (India as a Connector in South Asia)

- **B** – Bilateral Trust Building
- **R** – Regional Stability
- **I** – Infrastructure Development
- **D** – Disaster Response Cooperation
- **G** – Goodwill Diplomacy
- **E** – Environmental Collaboration

TRUST (India's Policy Pillars for Peaceful Borders)

- **T** – Trade Facilitation
- **R** – Religious and Cultural Linkages
- **U** – Unified Response to Terrorism
- **S** – Strategic Dialogue
- **T** – Transit and Transport Agreements

HOPE (Soft Power-Based Engagement in the Neighbourhood)

- **H** – Healthcare Cooperation
- **O** – Outreach through Education
- **P** – Public Diplomacy
- **E** – Exchange of Cultural Expertise

FAIR (Guiding Principles for Neighbourhood First Policy)

- **F** – Friendship with Respect
- **A** – Assistance in Need
- **I** – Inclusivity in Policy
- **R** – Reciprocity and Responsibility

Readymade Templates for Introduction & Conclusion

GENERAL – INTRODUCTIONS

- *"You can change your friends but not neighbours."* – **Atal Bihari Vajpayee**
→ Highlights the inevitability of engaging constructively with neighboring countries.
- *"India's neighborhood policy has to be more generous and free from bureaucratic reciprocities."* – **S. Jaishankar**
→ Emphasizes India's leadership role and moral responsibility in the region.
- *"There are no permanent friends or permanent enemies, only permanent interests."*
→ Underlines the realist lens essential in managing neighborhood relations.
- *"The complexity of India's regional security and neighborhood demands India to adopt a more nuanced position without losing its essential pragmatism."*
→ Appropriate for analytical questions on regional security and diplomacy.

GENERAL – CONCLUSIONS

- India must pursue a **balanced neighborhood-first policy** anchored in *strategic autonomy, regional connectivity, and cultural diplomacy*.
- As regional dynamics shift, **India should leverage multilateral forums, soft power, and economic diplomacy** to sustain its influence and ensure peace.

- **Way Forward:** Enhance **trust-building measures**, pursue **mutual economic gains**, and ensure **inclusive regional development** to secure long-term stability.

INDIA-NEPAL

Intro:

- *"India and Nepal share a unique and time-honored relationship characterized by 'Roti-Beti ke Sambandh' – reflecting deep familial, cultural, and historical ties."*

Conclusion:

- Moving forward, both nations must focus on **resolving border sensitivities, deepening energy and trade cooperation**, and reinforcing **people-to-people ties**.

INDIA-BHUTAN

Intro:

- *"Bharat for Bhutan and Bhutan for Bharat. The colour of our passports may be different but our thinking is the same." – PM Modi*

Conclusion:

- The relationship must continue to be nurtured through **sustainable development partnerships, strategic coordination**, and **shared environmental goals**.

INDIA-MALDIVES

Intro:

- *"India and Maldives are time-tested friends and unwavering allies."* Their bond is rooted in **geostrategic interests, mutual respect, and cultural connectivity**.

Conclusion:

- India should continue to support the Maldives through **security cooperation, economic aid**, and **maritime diplomacy**, while countering external influences prudently.

INDIA-MYANMAR

Intro:

- *"Myanmar is a land bridge that connects South Asia and Southeast Asia."* Its strategic importance lies in both **Act East Policy and Northeast India's development**.

Conclusion:

- India must maintain a **dual approach of**

humanitarian support and strategic engagement, emphasizing **infrastructure, connectivity, and democratic cooperation**.

INDIA-SRI LANKA

Intro:

- *"India is Sri Lanka's closest neighbor with a civilizational bond spanning over 2,500 years."* This enduring relationship is built on **cultural, religious, and linguistic affinities**.

Conclusion:

- The path ahead must focus on **economic recovery aid, Tamil reconciliation, and maritime security collaboration**.

INDIA-BANGLADESH

Intro:

- *"India-Bangladesh relationship is a role model for neighborhood diplomacy." – PM Sheikh Hasina*
- *"To keep the spirit of 1971 alive, we must jointly face forces that threaten mutual trust." – PM Modi*

Conclusion:

- The partnership should now advance into **deeper economic integration, water-sharing solutions**, and **border management reforms**.

INDIA-AFGHANISTAN

Intro:

- *"India and Afghanistan have a strong relationship based on historical and cultural links."* India's role has been central in **Afghanistan's development and capacity-building**.

Conclusion:

- India should maintain a **people-centric and humanitarian-focused policy**, supporting **education, health, and democratic values** while cautiously engaging with current authorities.

INDIA-PAKISTAN

Intro:

- *"India and Pakistan share a complex and often tumultuous relationship, shaped by historical grievances and unresolved territorial disputes."*

Conclusion:

- A long-term resolution demands **strategic patience, consistent anti-terror diplomacy**, and **bilateral confidence-building measures** under international scrutiny.

INDIA-CHINA

Intro:

- "No other relationship of India has as many layers as our relations with China." – **PM Modi**
- Characterized by a blend of **competition and cooperation**, this bilateral tie influences the entire Indo-Pacific region.

Conclusion:

- India must adopt **calibrated strategic assertiveness**, while simultaneously promoting **economic resilience, border dialogue, and regional balancing.**

(Following general template can be used in addressing the questions on India and its Neighbourhood relations.)

Importance	Geo Political	<ul style="list-style-type: none"> • Support for democracy • Support for India's bid at UNSC • Countering China • Cooperation at multilateral institutions • Cultural, people to people ties
	Geo Economic	<ul style="list-style-type: none"> • Natural resources • Trade and investment • Medical tourism • Connectivity • Hydropower projects
	Geo Strategic	<ul style="list-style-type: none"> • Internal security • Counter terrorism • Maritime security • Neighbourhood First • SAGAR vision

Areas of Cooperation	Defence and Security Cooperation	<ul style="list-style-type: none"> • Assistance in modernization of army • Bilateral military exercises • Actions against militants, Maoists • Counter terrorism • Intelligence sharing • Drug and human trafficking
	Economic Cooperation	<ul style="list-style-type: none"> • Largest source of investment • Employment • Humanitarian assistance • Ventures in education, telecommunication, etc. • Energy projects • Blue economy
	Connectivity	<ul style="list-style-type: none"> • Highways • Railways • Waterways • Airways
	Culture	<ul style="list-style-type: none"> • People-to-people ties • Hinduism, Buddhism, Islam • Diaspora • Bollywood
Issues/ Challenges	Multilateral partnership	<ul style="list-style-type: none"> • BBIN • BIMSTEC • NAM • SAARC
	Boundary Disputes	<ul style="list-style-type: none"> • No perfect demarcation of boundaries • Claims over territories • Ceasefire • Cross border firing

	Water Disputes	<ul style="list-style-type: none"> • Cross countries river flow • Issues over Dam construction • Issues over sharing water data • Issues over Hydroelectric Projects • Marine disputes over fishing
	Economic Issues	<ul style="list-style-type: none"> • Trade deficit • Low investment • Less LOC compared to China • Delays in completion of projects • Dependency on China • Poor infrastructure development
	Security Issues	<ul style="list-style-type: none"> • Drug and human trafficking • Refugees • Illegal migration • Maoist nexus • Terrorism • Naxalism
	Other Issues	<ul style="list-style-type: none"> • India's Big Brother Attitude • Influence of China • Interference in domestic issues
Way Forward	Political	<ul style="list-style-type: none"> • Promotion of democracy • Non interference in domestic affairs • Gujral doctrine follow • Cooperation at multilateral institutions • Scholarships to foreign students • Protection from Chinese cheque book diplomacy

	Economic	<ul style="list-style-type: none"> • Connectivity • Economic investment • Increase in trade • Line of Credit • Timely completion of projects • Promoting tourism • Joint space programmes • Energy pipelines • Exploration of natural resources • Economic interdependence • Free Trade Agreements
	Cultural	<ul style="list-style-type: none"> • Soft power diplomacy • People to people ties • Sister cities agreements • Buddhism and Hinduism sites linkages
	Defence and Security	<ul style="list-style-type: none"> • Joint drills • Intelligence sharing • Joint operations against naxals, maoists,terrorists
	Others	<ul style="list-style-type: none"> • Following principle of mutual benefit • Developmental initiatives in the fields of education, health, etc. • Utilize platforms like SAARC, BIMSTEC, etc. • Cooperation in disaster management

Navigating the Syllabus: What You Need to Know

Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.

- India-Japan
- India-France
- India-Russia
- India-Africa
- India-Iran
- India-USA
- India-Central Asia
- Indo-Pacific
- BRICS
- SCO
- ASEAN
- QUAD
- BIMSTEC
- SAARC

UPSC Previous Year Questions

Question	Nature of Question	Core Demand
Critically analyse India's evolving diplomatic, economic and strategic relations with the Central Asian Republics (CARs)... (2024)	Contemporary + Analytical	Critically analyse India-CAR relations in diplomatic, economic, and strategic domains.
'Virus of Conflict is affecting the functioning of the SCO'. In the light of the above statement point out the role of India in mitigating the problems. (2023)	Contemporary + Regional Grouping	Point out India's role in resolving tensions within SCO.
'The expansion and strengthening of NATO and a stronger US-Europe strategic partnership works well for India'. What is your opinion about this statement? (2023)	Opinion-based + Geostrategic	State opinion with reasons on impact of NATO and US-Europe partnership on India.
How will 12U2 (India, Israel, UAE, and USA) grouping transform India's position in global politics? (2022)	Emerging Grouping + Analytical	Discuss how 12U2 can shift India's global political role.
If the last few decades were of Asia's growth story, the next few are expected to be Africa's.' In the light of this statement, examine India's influence in Africa in recent years. (2021)	Static + Contemporary	Examine India's influence in Africa in recent years.
'Quad is transforming into a trade bloc from a military alliance' – Discuss. (2020)	Contemporary + Strategic	Discuss Quad's evolution from military to trade focus.

What is the significance of Indo-US defence deals over Indo-Russian defence deals? Discuss with reference to stability in Indo-Pacific region. (2020)	Strategic + Comparative	Discuss Indo-US vs Indo-Russian defence deals in Indo-Pacific context.
India-Japan strategic partnership has global significance. Comment. (2019)	Strategic + Opinion	Comment on global relevance of India-Japan relations.
India's global image has changed due to its new role in global order. Elaborate. (2019)	Contemporary + Evaluative	Elaborate on India's changing global image.
India-US ties have friction due to mismatch in strategic outlook. Explain. (2019)	Issue-based + Analytical	Explain causes of friction in India-US strategic ties.
India-Israel relations have deepened and are irreversible. Discuss. (2018)	Bilateral + Contemporary	Discuss depth and permanence in India-Israel ties.
India's joining Ashgabat Agreement—implications amid external powers in CAR. (2018)	Geostrategic + Regional	Discuss implications of India joining Ashgabat Agreement.
India's Energy Security is crucial. Analyze India-West Asia energy ties. (2016)	Energy + Regional Policy	Analyze India-West Asia energy cooperation.
Evaluate Look East Policy's economic and strategic dimensions post-Cold War. (2016)	Strategic + Policy	Evaluate Look East Policy's economic and strategic outcomes.
India's interest in Africa—critically examine pros and cons. (2014)	Contemporary + Critical	Critically examine benefits and drawbacks of India's Africa engagement.
IT Agreements lower tariffs—impact on India. (2014)	Trade + Analytical	Discuss impact of ITAs on India's economy and trade interests.
Aid terms from international agencies—should India accept? (2014)	Policy-based + Critical	Discuss pros and cons of tied aid for India.
NDB and AIIB—different roles; strategic value for India. (2014)	International Institutions + Strategic	Discuss differing roles and strategic importance of NDB & AIIB for India.
ISAF withdrawal from Afghanistan—security implications for India. (2013)	Security + Regional	Examine implications of ISAF withdrawal for India's security.
'String of Pearls' and India—impact and countermeasures. (2013)	Geostrategic + Threat	Explain impact of String of Pearls and India's responses.
India-Japan economic ties underperforming—policy constraints? (2013)	Bilateral + Trade Policy	Identify policy hurdles in India-Japan economic ties.
What is Gujral Doctrine? Is it still relevant? Discuss. (2013)	Foreign Policy + Normative	Explain Gujral Doctrine and assess its present relevance.

India -USA Relations

Introduction

- India-US relations have evolved from **estrangement during the Cold War** to a **comprehensive global strategic partnership** today.
- The relationship is defined by cooperation in **defence, trade, technology, energy, people-to-people ties**, and **shared democratic values**.

Historical Evolution

- **Cold War Era (1947–1991):**
 - India's **non-alignment policy** and closeness with the USSR limited ties with the USA.
 - The US backed **Pakistan** during Indo-Pak wars; India faced **sanctions after nuclear tests** in 1974 and 1998.
- **Post-1991 Realignment:**
 - **Economic liberalisation** of India opened avenues for trade and investment.
 - Bilateral ties improved with **high-level visits** and **strategic dialogues**.
- **Post-2005 Strategic Convergence:**
 - **2005 Civil Nuclear Deal** marked a turning point.
 - Establishment of **Strategic Partnership** focusing on defence, counter-terrorism, and global governance.
- **Recent High-Engagement Phase (2014 onwards):**
 - **Elevated to Comprehensive Global Strategic Partnership (2020)**.
 - Increased alignment in **Indo-Pacific, Quad, defence procurement, and digital cooperation**.

Key Areas of Cooperation

- **Defence and Strategic Cooperation:**
 - Major Defence Partner status (2016).
 - Signing of all four foundational agreements:
 - **LEMOA** (2016): Logistics Exchange
 - **COMCASA** (2018): Communications Security
 - **BECA** (2020): Geospatial Intelligence
 - **GSOMIA** (2002): Military Information Security

- Joint exercises: **Yudh Abhyas, Tiger Triumph, Malabar (Quad)**.
- **Trade and Economic Ties:**
 - In the 2024-25 fiscal year, total bilateral trade between India and the U.S. reached \$131.84 billion, with the U.S. remaining India's largest trading partner for the fourth consecutive year. This includes \$41.18 billion in trade surplus for India.
 - Cooperation in **digital trade, IPR, energy, fintech**.
- **Technology and Innovation:**
 - **iCET (Initiative on Critical and Emerging Technologies)** launched in 2023.
 - Focus on **AI, quantum tech, semiconductors, 5G/6G, space**.
- **Clean Energy and Climate:**
 - US supports India's **energy transition and green hydrogen**.
 - India-US **Climate and Clean Energy Agenda 2030 Partnership**.
- **Diaspora and People-to-People Ties:**
 - 4.8 million-strong Indian diaspora in the US.
 - Strong educational and cultural links.
 - Indian-origin individuals in high US offices (e.g., Vice President Kamala Harris).
- **Indo-Pacific and Quad:**
 - Strong alignment on **Indo-Pacific Strategy**.
 - Member of **Quad (India, USA, Japan, Australia)** promoting a free, open, and rules-based Indo-Pacific.

Recent Developments

- **PM Modi's State Visit (2023):**
 - Agreements on semiconductors, defence co-production, education, and mobility.
 - Launch of **India-US Defence Acceleration Ecosystem (INDUS-X)**.
- **iCET Initiatives:**
 - Joint collaborations on **quantum computing, space tech, and defence AI**.
- **Visa and Mobility Agreements:**
 - Increased H-1B visa cap discussions.
 - Student and professional exchanges enhanced.

Challenges in the Relationship

- **Trade Tensions and Tariff Disputes**

- The U.S. imposed higher tariffs on Indian exports in 2025, citing trade imbalances, triggering retaliatory tariff offers from India.
- The U.S. trade deficit with India surged past \$45 billion in 2024, increasing American demands for greater market access.

- **Immigration Policies and Deportations**

- Visa restrictions were imposed on Indian travel agencies accused of facilitating illegal migration.
- Over 680 undocumented Indian nationals were deported in early 2025, with allegations of inhumane treatment during deportation sparking backlash in India.

- **Remittance Tax Proposal**

- A new U.S. legislative proposal aims to tax remittances sent abroad, which could significantly affect the \$100 billion India receives annually from its diaspora.

- **Trade Disruptions Due to Compliance Issues**

- Several Indian consignments, including agricultural exports like mangoes, were rejected due to documentation or procedural lapses, leading to financial losses for exporters.

- **Geopolitical Divergences**

- India's close energy and defence cooperation with Russia creates friction with U.S. efforts to diplomatically isolate Moscow.
- U.S. remarks linking trade agreements to India's internal matters, including Kashmir, have been strongly opposed by New Delhi.

- **Digital Trade and Data Sovereignty**

- India's emphasis on **data localization** and reluctance to liberalize digital trade has led to disagreements with the U.S., which advocates for open digital flows across borders.

Way Forward

- **Institutionalize strategic dialogues** on AI, supply chains, and green energy.
- Promote **Make in India-Make for the World** model with US investment.
- Expand **educational and technological exchanges** under iCET.
- Maintain **balance between strategic convergence and strategic autonomy**.
- Strengthen **Quad cooperation** and work jointly

in **global South engagement**.

India-Russia Relations

Introduction

- India and Russia share a **time-tested strategic partnership**, rooted in **Cold War solidarity, defence cooperation, and geopolitical convergence**.
- The relationship was elevated to a **"Special and Privileged Strategic Partnership"** in 2010.

Historical Background

- **Cold War Era - Indo-Soviet Strategic Convergence (1947-1991)**

- **1947:** Establishment of diplomatic relations between India and the USSR.
- **1955:** First visit by Soviet leaders Khrushchev and Bulganin to India; strong ideological and economic cooperation began.
- **1971:** Indo-Soviet Treaty of Peace, Friendship and Cooperation signed—critical during the Bangladesh Liberation War.
- USSR emerged as India's **key defence supplier, economic partner, and supporter at the UNSC**.
- Provided assistance in building **Bhilai Steel Plant, ISRO collaborations**, and education exchange programs.

- **Post-Soviet Recalibration (1991-2000)**

- **1991:** India recognized the Russian Federation post-USSR dissolution.
- Bilateral trade and defence ties **weakened temporarily** due to Russia's economic turmoil.
- **1993:** Treaty of Friendship and Cooperation signed to revive strategic trust.

- **Strategic Partnership Consolidation (2000-2010)**

- **2000:** 'Declaration on Strategic Partnership' signed during Putin's India visit.
- Institutionalization of **annual summits** began.
- **Key outcomes:**
 - Joint venture on **BrahMos missile**.
 - Licensed production of **T-90 tanks, Sukhoi aircraft** in India.
 - Space and nuclear energy collaboration through **Kudankulam Nuclear Power Plant**.

- **Deepening Engagement amid Geopolitical Shifts (2011–2020)**
 - **Expansion in:**
 - **Defence:** S-400 Triumf air defence deal signed (2018).
 - **Energy:** Indian investments in **Sakhalin-I**, and Russian investments in Indian refining.
 - **Education & Culture:** Strengthened people-to-people exchanges.
 - **Differences:**
 - Russia's growing closeness with China and Pakistan.
 - India's proximity to the U.S. through Quad, LEMOA, COMCASA, etc.
- **Realignment in Multipolar Order (2021–2025)**
 - **2022 Russia-Ukraine war:** India adopted a **neutral stance**, calling for diplomacy and dialogue—received global attention.
 - Surge in **Russian oil imports** by India due to discounted rates, making Russia a **top crude supplier**.
 - **2024:** Operationalization of the **Chennai-Vladivostok Maritime Corridor**, enhancing direct connectivity in the Indo-Pacific.
 - **2025:**
 - Ongoing defence supply despite CAATSA-related concerns.
 - Expansion into **cybersecurity, digital payments, and Arctic cooperation**.
 - Push for **rupee-ruble trade mechanism** to bypass dollar dependence
- **Energy Cooperation:**
 - India has invested in **Russian oil and gas fields** (e.g., Sakhalin-1).
 - Long-term deals with **Rosneft** and **Gazprom** ensure energy security.
 - Cooperation in **Arctic and Eastern Economic Corridor** (Chennai-Vladivostok maritime route).
- **Space and Technology:**
 - Historical collaboration: India's **first satellite Aryabhata** was launched by USSR.
 - Russia to assist in **Gaganyaan Mission** (training Indian astronauts).
- **Economic and Trade Relations:**
 - Bilateral trade: Around **\$50 billion in 2022–23** (target of \$100 billion by 2030).
 - Trade remains **below potential** due to logistics and payment mechanisms.
 - India imports **defence equipment, crude oil, fertilizers**; exports **pharmaceuticals, tea, engineering goods**.
- **Multilateral Cooperation:**
 - Strategic convergence in **BRICS, SCO, G20, and RIC**.
 - Shared stance on **multipolarity, non-intervention, and UN reform**.

Challenges in the Relationship

- **Payment and Currency Settlement Issues**
 - **Sanctions Complication:** Western sanctions on Russia post-Ukraine war have disrupted traditional USD-based payment mechanisms.
 - **Currency Disputes:** Russia's reluctance to accept Indian rupees and preference for Chinese yuan creates a strategic and operational deadlock, as India is cautious of yuan-based trade.
- **Defence Cooperation Under Strain**
 - **Supply Chain Delays:** Ukraine war-induced disruptions in Russian defence industries have delayed key deliveries to India.
 - **Diversification Strategy:** India is actively seeking alternative suppliers to reduce over-dependence on Russia, which could impact traditional defence ties.
- **Russia-China Strategic Convergence**
 - **Deepening Ties:** Russia's increasing defence and energy collaboration with China raises

Key Areas of Cooperation

- **Defence and Security:**
 - Russia remains **India's largest arms supplier** (despite diversification).
 - Major platforms: **S-400 Triumf, INS Vikramaditya, BrahMos missile, AK-203 rifles**.
 - Joint military exercises: **INDRA, AviaINDRA**, and naval exercises.
 - **Joint production and technology transfer** in defence sector.
- **Nuclear Energy:**
 - Russia is collaborating in India's **civilian nuclear program**.
 - **Kudankulam Nuclear Power Plant** is a flagship project.

concerns for India, especially amid continuing tensions on the LAC.

- **Indo-Pacific Impact:** A closer Russia–China axis may counterbalance India’s interests in the Indo-Pacific and Central Asia.
- **Human Trafficking and Military Recruitment**
 - **Recent Scandal:** Several Indian nationals were reportedly lured into joining the Russian military under deceptive job offers, leading to casualties.
 - **Diplomatic Fallout:** The Indian government has raised the issue with Moscow, demanding an immediate halt to such practices.
- **Energy Trade and Sanctions Compliance**
 - **Crude Imports from Russia:** India has emerged as a top importer of Russian crude, but insists on compliance with global sanctions to avoid secondary action from Western nations.
 - **Operational Hurdles:** Sanctions-related scrutiny has increased costs, documentation burdens, and uncertainty in oil transactions.
- **Technological and Dual-Use Export Risks**
 - **Western Scrutiny:** India's tech exports to Russia are under watch for potential misuse in military applications, posing reputational risks.
 - **Balancing Act:** India must balance strategic autonomy in technology transfer with avoiding Western backlash or sanctions.

Way Forward

- Diversify trade: Enhance cooperation in **pharma, agriculture, digital tech, and energy**.
- Strengthen **alternative payment systems** to bypass sanctions.
- Promote **joint ventures and co-development** in defence and AI.
- Deepen **civil nuclear and space partnerships**.
- Balance ties with Russia while maintaining **strategic autonomy** in Indo-Pacific and with the West.

India–France Relations

Introduction

- France was the **first country** with which India established a **Strategic Partnership** (on **26 January 1998**).

- The partnership is rooted in **mutual trust, democratic values, and a shared vision of multipolarity and strategic autonomy**.
- In 2023, both countries launched the **Horizon 2047 roadmap** to guide bilateral relations till the centenary of India’s independence and their diplomatic ties.

Key Areas of Cooperation

- **Defence and Strategic Partnership**
 - France is a major defence partner and technology collaborator.
 - Joint military exercises:
 - **VARUNA** (Navy), **SHAKTI** (Army), **GARUDA** and **TARANG SHAKTI** (Air Force).
 - **India–France Defence Industrial Roadmap:**
 - Focus on **co-design, co-development**, and joint production of military platforms.
 - Includes space-based defence cooperation.
 - **FRIND-X (France–India Defence Startup Excellence):**
 - Platform connecting startups, investors, and academic partners across defence ecosystems.
- **Economic and Trade Relations**
 - Bilateral trade crossed **\$13 billion in FY 2022–23**, with Indian exports exceeding \$7 billion.
 - France is a key investor in India’s **infrastructure, transport, and renewable energy sectors**.
 - UPI to be implemented in France via agreement between **NPCI International and Lyra Collect**.
- **Space Cooperation**
 - France is one of India's oldest space collaborators.
 - **Key projects:**
 - **TRISHNA** Earth observation satellite.
 - Support for **Gaganyaan mission**, maritime surveillance, and ground station integration.
 - Regular **scientific and technical exchanges** enhance long-term collaboration.
- **Civil Nuclear Cooperation**
 - **2008 Civil Nuclear Agreement** enables peaceful nuclear collaboration.
 - France to supply six **EPR reactors for Jaitapur Nuclear Power Plant**.

- Joint initiatives in:
 - **Small Modular Reactors (SMR)** and **Advanced Modular Reactors (AMR)**.
 - India is also part of **ITER**, an international nuclear fusion project headquartered in France.
- **Science and Technology**
 - **India–France AI Roadmap:**
 - Converges on ethical, open, and secure use of artificial intelligence.
 - **Indo-French Life Sciences Sister Innovation Hub** promotes biotech and health innovation.
- **Climate and Clean Energy**
 - Joint commitment to the **Paris Climate Agreement (2015)**.
 - **International Solar Alliance (ISA)** co-launched by India and France in 2018.
 - Cooperation on **green hydrogen, energy efficiency, and sustainable infrastructure**.
- **Cultural and People-to-People Ties**
 - Celebrated **60 years of India–France cultural agreement (1966–2026)**.
 - Launch of **Year of Innovation 2026:** Includes culture, education, science, and arts.
 - Growing academic linkages and interest in Indian culture and yoga in France.
- **Trilateral Cooperation Formats**
 - **India–France–Australia:** Indo-Pacific partnership focused on maritime security, connectivity, and regional rules-based order.
 - **India–France–UAE:** Climate action, nuclear energy, and biodiversity protection.

Key Challenges in India–France Relations

- **Nuclear Cooperation Hurdles:**
 - **Delays and high costs** in Jaitapur Project.
 - France concerned about India's **Civil Liability for Nuclear Damage Act (CLNDA), 2010**.
- **Geopolitical Divergences:**
 - France openly supports Ukraine; India maintains **strategic neutrality**.
 - Differences may affect diplomatic alignment on global issues.
- **Intellectual Property Rights (IPR) Concerns:**
 - French firms raise issues over **weak enforcement of IPRs** in sectors like pharma and fashion.
- **Trade Barriers:**

- French resistance to Indian **agricultural exports** (e.g., Basmati GI tag).
- **Non-tariff barriers** like EU's sanitary norms limit Indian market access.
- **India–EU FTA Deadlock:**
 - **BTIA negotiations stalled since 2007**, limiting trade potential between India and France.
- **Limited B2B and P2P Engagement:**
 - India–France ties are largely **government-driven**.
 - Lack of deeper **business and civil society interaction**.

India–Japan Relations

Introduction

- India and Japan share a **Special Strategic and Global Partnership** since 2014.
- The relationship is based on **shared democratic values, rule-based order, regional security, and mutual interest in a free, open, and inclusive Indo-Pacific**.
- Deep civilizational ties, rooted in **Buddhism and cultural affinity**, have evolved into a comprehensive economic and strategic partnership.

Key Areas of Cooperation

- **Strategic and Defence Cooperation**
 - **2+2 Ministerial Dialogue**, Annual Summits, and Defence Policy Dialogue institutionalized.
 - Key joint military exercises:
 - **Dharma Guardian** (Army), **JIMEX** (Navy), **Shinyuu Maitri** (Air Force), and **Malabar** (with Quad members).
 - Agreement on **Reciprocal Provision of Supplies and Services** (2020) enhances defence logistics cooperation.
 - Collaboration in **maritime domain awareness** and **capacity building in the Indo-Pacific**.
- **Economic and Infrastructure Cooperation**
 - Japan is a key development partner; India's **largest source of ODA** (Official Development Assistance).
 - Flagship projects:
 - **Mumbai–Ahmedabad High-Speed Rail (Bullet Train)** project under construction

with Japanese assistance.

- **Delhi–Mumbai Industrial Corridor (DMIC)** and other smart city projects.
- **India–Japan Comprehensive Economic Partnership Agreement (CEPA)** since 2011 governs bilateral trade and investment.
- **Technology and Innovation**
 - Collaboration in **semiconductors, digital infrastructure, AI, and green tech.**
 - Joint R&D under **India–Japan Digital Partnership (IJDP)** and **Start-Up Hub** initiatives.
 - Japan supports India’s transition to **clean energy** and **electric mobility.**
- **Connectivity and Regional Cooperation**
 - Japan supports India’s **Act East Policy** and **Indo-Pacific Oceans Initiative (IPOI).**
 - Key partner in projects in **Northeast India** and **Bay of Bengal region.**
 - Collaborative infrastructure in **third countries** (e.g., Sri Lanka, Bangladesh, Myanmar) under **Asia–Africa Growth Corridor (AAGC).**
- **Cultural and People-to-People Ties**
 - Shared Buddhist heritage fosters deep cultural connection.
 - Japanese language education in Indian schools; scholarships for Indian students.
 - Annual **India–Japan Festival of Friendship**, growing tourism and academic exchange.
- **Multilateral and Global Convergence**
 - **Both countries are members of: Quad, G20, G4 (for UNSC reform), and ASEAN+ forums.**
 - **Strong convergence on: Rules-based Indo-Pacific, counter-terrorism, supply chain resilience, and WTO reforms.**

Key Challenges in Bilateral Ties

- **Slow progress on infrastructure projects** like the Bullet Train due to land acquisition delays.
- **Trade imbalance:** India has a large trade deficit with Japan.
- **Low Japanese private sector investment** compared to potential.
- **Cultural and linguistic barriers** limit deeper business-to-business and people-to-people ties.
- Divergences on **nuclear non-proliferation** still exist, although civil nuclear cooperation was signed in 2016.

Way Forward

- **Expedite Key Infrastructure Projects:** Fast-track the **Mumbai–Ahmedabad Bullet Train** and other connectivity initiatives through better land acquisition, clearances, and public engagement.
- **Enhance Economic Synergy:**
 - Address the **trade imbalance** through export promotion and diversification.
 - Encourage more **Japanese private sector investment** in MSMEs, green tech, and digital services.
- **Deepen Defence Industrial Cooperation:**
 - Move from buyer–seller to **co-development and joint production** of defence platforms under ‘Make in India’.
 - Expand cooperation in **cybersecurity, AI-driven defence systems,** and maritime surveillance.
- **Strengthen People-to-People Connectivity:**
 - Promote Japanese language education in Indian institutions and enhance student/faculty exchange programs.
 - Encourage tourism and cultural collaborations through soft power platforms.
- **Advance Regional and Global Convergence:**
 - Leverage **Quad and IPOI** platforms to promote a **rules-based Indo-Pacific order.**
 - Collaborate more in **third-country projects** (Africa, Southeast Asia) under the **Asia–Africa Growth Corridor.**
- **Broaden Technological Cooperation:**
 - Expand partnerships in **semiconductors, green hydrogen, and digital public infrastructure.**
 - Jointly invest in **start-up ecosystems** and **innovation hubs.**

India–Central Asia Relations



Introduction

- India shares deep **civilizational, cultural, and historical ties** with Central Asia, rooted in trade (Silk Road), Buddhism, Sufism, and shared linguistic influences.
- The relationship gained momentum after the **collapse of the Soviet Union in 1991**, as India sought to reconnect with the region for **energy security, connectivity, regional security, and strategic balance**.

Key Pillars of the Relationship

- **Strategic and Security Cooperation**
 - India and Central Asian states face common challenges: **terrorism, drug trafficking, extremism, and regional instability** (especially post-Taliban Afghanistan).
 - India has conducted joint military training and counterterrorism exercises, especially with **Kazakhstan, Uzbekistan, and Kyrgyzstan**.
 - Central Asia supports India's membership in **Shanghai Cooperation Organisation (SCO)**, which enhances regional security cooperation.
- **Energy and Natural Resources**
 - Central Asia is rich in **hydrocarbons, uranium, and rare earths**.
 - India signed a **civil nuclear cooperation agreement with Kazakhstan**, which supplies uranium to India.
 - Interest in **TAPI Pipeline (Turkmenistan-Afghanistan-Pakistan-India)** for gas imports, although progress is slow due to security issues.
- **Connectivity and Trade**
 - **Lack of direct land connectivity** (due to Pakistan) is a key challenge.
 - India invested in the **Chabahar Port (Iran)** and **International North-South Transport Corridor (INSTC)** to access Central Asia via Iran and the Caspian Sea.
 - Central Asia is included in India's **Extended Neighbourhood Policy** and **Connect Central Asia Policy (2012)**.
- **Economic and Commercial Relations**
 - Bilateral trade remains below potential (~\$2 billion annually).
 - India offers **Lines of Credit**, grants, and training under the **Indian Technical and**

Economic Cooperation (ITEC) program.

- India-Central Asia Business Councils set up to promote private sector engagement.
- **Cultural and People-to-People Ties**
 - Cultural diplomacy rooted in **Buddhism, Sufism, Hindi films**, and educational scholarships.
 - **Indian Council for Cultural Relations (ICCR)** supports cultural exchanges.
 - **Kyrgyzstan and Kazakhstan** are major recipients of Indian medical and IT education services.
- **Multilateral and Regional Engagement**
 - India is a member of:
 - **Shanghai Cooperation Organisation (SCO)**: Engages on security, economic, and cultural platforms.
 - **India-Central Asia Dialogue**: Institutionalized since 2019, involving regular ministerial-level talks and working groups.
 - India supports **Afghanistan's stability** and has worked with Central Asia to ensure a non-extremist regional environment.

Key Challenges

- **Geographical disconnection**: Pakistan's denial of transit blocks direct land access.
- **Chinese influence**: China dominates trade, investment, and infrastructure under the **Belt and Road Initiative (BRI)**.
- **Low economic volume**: Trade and investment remain modest despite potential.
- **Security volatility**: Instability in **Afghanistan and parts of Tajikistan** affects regional plans.

Way Forward

- **Strengthen INSTC and Chabahar** to reduce dependency on unstable routes.
- Increase **bilateral trade and private investment** in sectors like pharma, IT, textiles, and agriculture.
- Promote **digital and green partnerships**, including **solar energy cooperation** under the **International Solar Alliance**.
- Enhance **people-to-people exchanges**, especially in education, health, and culture.

- Collaborate with Central Asia in **countering radicalization and terrorism**, leveraging shared concerns post-Afghanistan.

India–Africa Relations

Introduction

- India and Africa share a relationship built on **historical solidarity, anti-colonial struggles, South–South cooperation**, and increasing convergence on global challenges.
- India’s Africa policy is guided by **development partnerships, diaspora linkages, energy and economic interests**, and shared multilateral platforms.

Key Drivers of the Relationship

- **Historical Bonds:**
 - Shared anti-colonial struggles and founding of the **Non-Aligned Movement (NAM)**.
 - Presence of **Indian diaspora** in East and Southern Africa since the 19th century.
- **Economic Complementarities:**
 - Africa has **natural resources, markets, and demographic dividends**.
 - India offers **technology, capacity-building, pharmaceuticals**, and affordable infrastructure.
- **Geostrategic Importance:**
 - Africa lies at the **confluence of Indian Ocean shipping lanes**.
 - Stability in Africa supports India’s **maritime and energy security**.
- **Global Governance Cooperation:**
 - Shared demand for **reform of UNSC, WTO, IMF**, and greater **voice of Global South**.

Key Areas of Cooperation

- **Economic and Trade Relations**
 - **Bilateral trade** exceeded **\$90 billion (2022–23)**.
 - India is Africa’s **fourth-largest trading partner**.
 - Indian investments in **energy, telecom, pharmaceuticals, banking**, and **infrastructure** (e.g., railways in Ethiopia, power in Sudan).
- **Development Partnership**

- India has extended over **\$12 billion in Lines of Credit** to more than 40 African countries.
- Projects span **healthcare, agriculture, irrigation, power, and IT**.
- Training through **Indian Technical and Economic Cooperation (ITEC)** and **Pan-African e-Network**.
- **Defence and Security**
 - Cooperation in **anti-piracy, counter-terrorism, maritime security**, especially in the western Indian Ocean.
 - Defence training and supply of light arms and surveillance equipment to African nations.
 - Annual **India–Africa Defence Ministers’ Dialogue** institutionalized.
- **Healthcare and Education**
 - India is a key provider of **generic medicines and vaccines** to Africa.
 - Scholarships for African students via **ICCR**.
 - India’s medical tourism and telemedicine benefit African citizens.
- **Agriculture and Capacity Building**
 - Transfer of Indian **low-cost, high-impact agricultural technologies**.
 - India supports **agribusiness incubators, seed banks**, and rural development projects in Africa.
- **Cultural and Diaspora Ties**
 - 3 million+ Indian diaspora in Africa, especially in **South Africa, Kenya, Tanzania, Mauritius, and Uganda**.
 - Cultural festivals, ICCR exchanges, and academic partnerships promote soft power diplomacy.

Institutional and Multilateral Engagement

- **India–Africa Forum Summit (IAFS):**
 - Three editions held (2008, 2011, 2015), with participation from 54 African nations.
 - The 2015 summit in New Delhi was the **largest diplomatic outreach** in India’s history.
- **Engagement in UN, G77, NAM, BRICS**, and support for each other’s candidatures in international forums.
- **International Solar Alliance (ISA):**
 - Co-launched by India and France; many African countries are members, aiding energy transition.

Challenges in the Relationship

- **China's Dominance:** China outpaces India in investments, infrastructure projects, and trade in Africa.
- **Implementation Delays:** Many Indian projects face bureaucratic or logistical hurdles.
- **Security Instability:** Political coups and terrorism in the Sahel and Horn of Africa affect continuity.
- **Limited Private Sector Engagement:** Indian private investment remains far below potential.

Way Forward

- **Expand Presence in Francophone Africa** and under-engaged regions.
- Fast-track **LoC project implementation** through local partnerships and digital monitoring.
- Promote **digital connectivity, tele-education, and telemedicine** as high-impact, low-cost tools.
- Encourage Indian private sector and startups to explore **African agritech, fintech, and e-commerce markets**.
- Strengthen collaboration in **Blue Economy, climate action,** and **third-country development cooperation**.

Keywords : Strategic Autonomy, Shared Democratic Values, South-South Cooperation, Supply Chain Resilience, Make in India-Make for the World, Civilizational Ties, Multipolar World Order, Development Diplomacy, Energy Security, Rules-Based International Order, Geostrategic Convergence, Extended Neighbourhood Policy, Digital Public Infrastructure, Blue Economy, Climate Action Diplomacy, People-to-People Ties, Soft Power Diplomacy, Strategic Convergence, Technology and Innovation Partnership, Cultural Diplomacy

Mains Practice Question :

Q1.Examine the role of South-South Cooperation in India-Africa relations.

Q2.How is strategic autonomy reflected in India's balanced ties with Russia and the West?

India & SAARC



Introduction

The South Asian Association for Regional Cooperation (SAARC) was established on **December 8, 1985**, in **Dhaka, Bangladesh**, and its **headquarters is in Kathmandu, Nepal**. It consists of **eight member states**: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. SAARC was envisioned as a platform to promote peace, prosperity, and regional integration in South Asia—home to nearly a quarter of the world's population.

Objectives

- Promote the welfare of the peoples of South Asia and improve their quality of life
- Accelerate economic growth, social progress, and cultural development
- Strengthen collective self-reliance among South Asian countries
- Foster mutual trust and understanding among the peoples of the region
- Collaborate actively in agriculture, industry, health, education, science, and technology
- Strengthen links with other developing regions and regional organizations
- Address common problems like poverty, terrorism, and climate change collaboratively

Significance

- **For India:**

- **Regional Leadership:** SAARC allows India to project leadership in South Asia through soft power, trade, and diplomacy.
- **Peace and Stability:** Enhances India's security by promoting trust and cooperation with immediate neighbours.
- **Counter to China's Influence:** A functional SAARC can act as a strategic counterweight to growing Chinese influence in the region.
- **For South Asia:**
 - **Collective Bargaining Power:** Presents a united voice in global forums on trade, climate change, and development.
 - **Intra-regional Trade:** Potential to boost trade; currently accounts for less than 5% of the region's total trade.
 - **Disaster Management & Health Cooperation:** Platforms like the SAARC COVID-19 Emergency Fund highlighted its utility in times of regional crises.
- **Recent Developments (2024–2025):**
 - The **60th SAARC Programming Committee** met in Kathmandu in April 2025 to discuss ways to reenergize SAARC mechanisms.
 - **Bangladesh and Nepal** have recently called for reviving SAARC, emphasizing regional connectivity, climate cooperation, and economic integration.
 - Non-political engagements—like **SAARC Disaster Management Centre** and cultural exchanges—continue to function actively despite political gridlock.

Challenges / Reasons for SAARC's Underperformance

- **India-Pakistan Conflict:** Hostility between the two key members has blocked summits since 2014.
- **Consensus-based Decision-making:** Any member can veto initiatives, stalling progress.
- **Bilateralism over Multilateralism:** Members prefer bilateral agreements with India rather than a regional approach.
- **Limited Economic Integration:** Intra-SAARC trade remains below potential due to tariff and non-tariff barriers.
- **Rise of Alternative Groupings:** India's pivot to BIMSTEC, IORA, and the Indo-Pacific narrative

has diluted SAARC's primacy.

- **Institutional Fatigue:** Weak secretariat, inadequate funding, and lack of political will hamper implementation.

Need for Revival

- **Common Regional Challenges:** Issues like climate change, energy security, terrorism, and health pandemics require regional coordination.
- **Economic Synergy:** South Asia is among the least integrated regions. Trade liberalization under SAFTA can be revitalized.
- **People-Centric Diplomacy:** Youth exchange, tourism, academic linkages, and cultural cooperation can strengthen regional identity.
- **Neutral Areas of Cooperation:** Reviving non-contentious sectors like disaster management, connectivity, agriculture, and education.
- **Geopolitical Urgency:** With external powers like China increasing presence, a functional SAARC can reinforce South Asian sovereignty and regionalism.
- **Recent Diplomatic Signals:** Statements by Nepal and Bangladesh in 2025 urging revitalization and India's support to technical and health initiatives show a window for cautious optimism.

BIMSTEC



Introduction

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is a

regional organization established on **6th June 1997** through the **Bangkok Declaration**. It brings together **seven countries** bordering the Bay of Bengal: **Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, and Thailand**. The **BIMSTEC Secretariat** is located in **Dhaka, Bangladesh**.

Objectives

- Foster accelerated economic growth and social progress in the region through joint endeavors
- Promote active collaboration and mutual assistance in areas of common interest
- Provide technical and research support across fields like agriculture, energy, transport, tourism, and public health
- Enhance regional connectivity through infrastructure and digital integration
- Promote sustainable development and resilience to climate change in the Bay of Bengal region
- Facilitate people-to-people contact, academic exchange, and cultural collaboration

Significance

- **Alternative to SAARC's Dormancy:** With SAARC rendered largely inactive due to Indo-Pak tensions, BIMSTEC has emerged as a practical and functioning platform for regional engagement.
- **Gateway Between South and Southeast Asia:** BIMSTEC connects South Asian countries (India, Bangladesh, Sri Lanka, Bhutan, Nepal) with Southeast Asia (Thailand, Myanmar), thus bridging two economically vibrant and strategically important regions.
- **Strategic Counter to China's BRI:** China's Belt and Road Initiative (BRI) has expanded rapidly across South and Southeast Asia, including the China-Myanmar Economic Corridor (CMEC). India, by actively promoting BIMSTEC, is creating a multilateral alternative that ensures connectivity and cooperation without compromising sovereignty.
- **Enhancing Maritime Cooperation:** Given that all BIMSTEC members, except Nepal and Bhutan, have a coastline, the organization is pivotal for maritime security, blue economy collaboration, and freedom of navigation in the Bay of Bengal — critical to India's Indo-Pacific vision.

- **Economic Integration & Trade Facilitation:** BIMSTEC facilitates trade integration through initiatives like the BIMSTEC Free Trade Agreement (under negotiation), helping small economies benefit from larger regional markets.
- **India's Act East Policy Vehicle:** BIMSTEC aligns with India's Act East policy by extending India's outreach to ASEAN countries like Thailand and its eastern neighbours like Myanmar — both strategically and economically.
- **Energy and Connectivity Cooperation:** It supports trans-border energy trade, including hydropower and renewable energy cooperation between Bhutan, Nepal, India, and Bangladesh. It also advances transport links like the India-Myanmar-Thailand Trilateral Highway.
- **Counter-Terrorism and Security Collaboration:** BIMSTEC enables coordination on transnational crimes, terrorism, and cyber security, offering a focused platform devoid of the bilateral constraints faced in SAARC.
- **Promotion of Intangible Culture and Research:** India's Centre for Bay of Bengal Studies (CBS) at Nalanda University fosters research and documentation of regional art, heritage, maritime history, and cultural links — vital for soft diplomacy and identity-building.
- **Disaster Management and Climate Cooperation:** With the Bay of Bengal region prone to cyclones, tsunamis, and rising sea levels, BIMSTEC offers a coordinated platform for early warning systems, disaster relief cooperation, and climate adaptation strategies.
- Varying levels of economic development and differing trade priorities among member states hinder agreement.
- **Overlapping Memberships & Commitment Dilution**
 - Many member states are part of other regional forums like ASEAN, SAARC, and IORA, leading to divided attention and policy fatigue.
 - BIMSTEC sometimes becomes secondary in strategic priorities, especially during bilateral tensions (e.g., India-Myanmar border issues).
- **Geopolitical Tensions**
 - India-Myanmar border instability, Sri Lanka's balancing act between India and China, and Thailand's internal political shifts affect coordination and mutual trust.
 - Absence of Afghanistan and Pakistan creates a vacuum in comprehensive regional security strategy.
- **Inconsistent Political Will**
 - Change in governments in member countries often resets commitments and priorities, delaying continuity of projects.
 - Regional leaders may prioritize domestic politics over regional commitments due to electoral compulsions.
- **Infrastructure and Connectivity Gaps**
 - Physical connectivity (e.g., Trilateral Highway, coastal shipping) is still incomplete or poorly maintained, reducing practical trade facilitation.
 - Digital connectivity and customs harmonization remain weak, delaying economic integration.
- **China Factor and External Pressures**
 - Some BIMSTEC countries maintain strong economic and infrastructure ties with China, creating strategic dilemmas and hesitations in aligning closely with India-led BIMSTEC agendas.

Challenges Faced by BIMSTEC

- **Lack of Institutional Capacity**
 - BIMSTEC Secretariat in Dhaka is under-staffed and under-resourced, lacking autonomy and the capacity to implement large-scale initiatives.
 - Absence of a dedicated dispute-resolution or implementation mechanism leads to poor follow-through on decisions.
- **Slow Progress on Trade Agreements**
 - The proposed BIMSTEC Free Trade Agreement (FTA) has remained pending since 2004 due to lack of consensus on tariff reduction and non-tariff barriers.

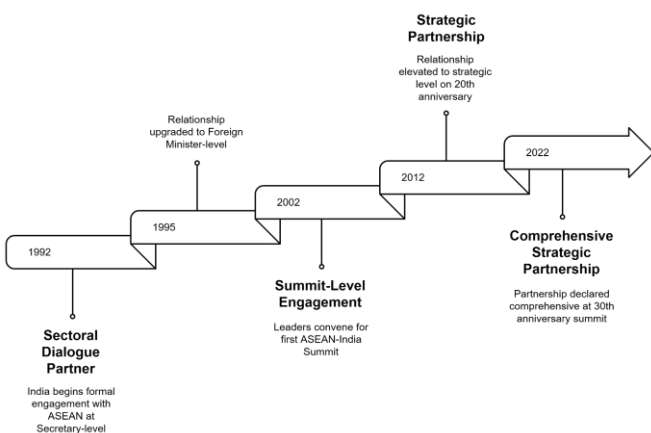
India-ASEAN Relations



Historical Evolution of the Relationship

- **Civilizational Ties:** India's engagement with Southeast Asia dates back over two millennia, rooted in religion (Buddhism, Hinduism), trade, language, and maritime exchanges.

Key Milestones in India-ASEAN Relations



Area of Cooperation

- **Political and Geopolitical Cooperation**
 - **Multi-Tiered Engagement:**
 - **Summit-level:** Annual ASEAN-India Summits.
 - **Ministerial-level:** ASEAN-India Foreign Ministers' Meetings (AIFMM).
 - **Senior Officials:** ASEAN-India Senior Officials' Meeting (AISOM).
 - **ASEAN-led Forums:** India actively engages in **East Asia Summit (EAS)**, **ASEAN Regional Forum (ARF)**, **ADMM-Plus**, and **Expanded ASEAN Maritime Forum (EAMF)**.
 - **Maritime Focus:** Comprehensive Strategic Partnership emphasizes cooperation in **Indo-**

Pacific and **maritime security**, aligned with India's **Act East Policy** and ASEAN Outlook on the Indo-Pacific (AOIP).

- **Institutional Mechanisms:**
 - **ASEAN-India Cooperation Fund**
 - **ASEAN-India Science and Technology Development Fund**
- **Economic and Trade Cooperation**
 - **Trade Dynamics:**
 - ASEAN is India's **4th-largest trading partner**.
 - Bilateral trade crossed **USD 110 billion** (2021-22).
 - India's exports: USD 42.3 billion | Imports: USD 68 billion → growing **trade deficit**.
 - **Free Trade Agreements:**
 - **AIFTA (2009):** Trade in goods.
 - **AIFTA (2014):** Extended to services and investments.
 - Review underway to address issues like **non-tariff barriers** and **rules of origin**.
 - **Investment:**
 - Cumulative **FDI inflow from ASEAN (2000-2019):** USD 117.88 billion (mostly from Singapore).
 - **Institutional Mechanisms:**
 - **ASEAN-India Business Council (AIBC)**
 - **ASEAN Economic Ministers + India Consultations (AEM-India)**
- **Connectivity Cooperation**
 - **Physical Connectivity:**
 - **India-Myanmar-Thailand Trilateral Highway**
 - **Kaladan Multimodal Transit Project**
 - Aim: Link Northeast India to Southeast Asia.
 - **Digital Connectivity:**
 - Proposals for cross-border **FinTech collaboration**.
 - Integration of **India Stack** (UPI, Aadhaar framework) for digital governance cooperation.
 - **Maritime and Air Connectivity:**
 - Promoting **port development**, cruise tourism, and increased flight routes.
- **Defence and Security Cooperation**
 - **Joint Military Exercises:**
 - **SIMBEX (India-Singapore)**
 - **Coordinated Patrols** with Thailand,

- Indonesia.
 - Participation in multilateral drills like **MILAN** and **ADMM-Plus exercises**.
- **Maritime Cooperation:**
 - Ensuring freedom of navigation, overflight, and rules-based maritime order.
 - Shared concerns over **South China Sea** assertiveness.
- **Counterterrorism and Cybersecurity:**
 - Information-sharing, joint workshops, and security dialogue mechanisms.
- **Cultural and People-to-People Engagement**
 - **Cultural Ties:**
 - Shared heritage in art, religion, architecture (e.g., Angkor Wat, Borobudur).
 - **ASEAN-India Cultural Exchange Programmes** and **Ramayana Festivals**.
 - **Educational and Youth Exchanges:**
 - Scholarships for ASEAN students in Indian institutions.
 - Collaborations through **Nalanda University**, ITEC programs.
 - **Capacity Building and Social Cooperation:**
 - Joint skill development and women/youth empowerment projects.

Key Recent Developments (2022–2024)

- **Comprehensive Strategic Partnership** declared in 2022 (30th anniversary).
- 2024: India proposed a **10-point plan** for cooperation in:
 - Climate resilience, health, tourism, digital transformation.
- **Capacity-building initiatives:** ASEAN-India Women Scientists Conclave, Science & Tech programs.

Challenges in India-ASEAN Relations

- **Geopolitical Complexities:**
 - Increasing **US-China rivalry** in the Indo-Pacific.
 - India's growing proximity to **Quad** raises ASEAN apprehensions on regional balance.
- **South China Sea Sensitivities:**
 - ASEAN internal divisions over China's maritime aggression complicate India's navigation of collective diplomacy.
- **Economic Challenges:**

- **India's exit from RCEP (2019)** disappointed ASEAN nations.
- Growing **trade imbalance**, non-tariff barriers, and slow FTA revisions.
- India's **protectionist tendencies** vs ASEAN's open trade preference.
- **Connectivity Delays:**
 - Slow progress in physical infrastructure (Trilateral Highway vs China's BRI pace).
- **Internal Divisions within ASEAN:**
 - Differing stances on Myanmar's military regime hinder coordinated regional positions, affecting India's diplomatic coherence.

Way Forward

- **Strengthen ASEAN Centrality:** Reaffirm ASEAN's role in regional architecture and multilateralism.
- **Deepen Emerging Sectoral Cooperation:** Focus on **semiconductors, digital economy, green energy, healthcare, AI, and space tech**.
- **Boost Trade and FTA Reform:** Revise AIFTA to improve market access, rules of origin, and reduce non-tariff barriers.
- **Accelerate Connectivity Projects:** Fast-track **Trilateral Highway**, integrate with **Act East-Act Fast** approach.
- **Enhanced Maritime Diplomacy:** Greater naval presence, HADR collaboration, and joint exercises to safeguard SLOCs.
- **Engage in 'Semiconductor Diplomacy':** Collaborate with **Singapore and Malaysia** to diversify global chip supply chains.
- **People-Centric Engagement** : Expand educational exchanges, cultural linkages, and mutual tourism promotion to build grassroots goodwill.

Shanghai Cooperation Organisation (SCO) Introduction

The SCO is a Eurasian political, security, and economic alliance established in 2001, evolving from the "Shanghai Five" (China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan, 1996). It aims to promote regional security, economic cooperation, and cultural exchange across Eurasia. The Secretariat is based in Beijing, and the RATS (Regional Anti-Terrorist Structure) is headquartered in Tashkent, Uzbekistan.

Current Members (10): China, Russia, India, Pakistan, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Iran (2023), Belarus (2024)

Strategic Significance of SCO

- **For India**
 - **Access to Central Asia's Energy Hub:** India is not part of China's BRI, and lacks direct access to Central Asia. SCO enables dialogue and cooperation with resource-rich Central Asian countries like Kazakhstan and Turkmenistan—crucial for India's energy security and connectivity ambitions via the International North South Transport Corridor (INSTC) and Chabahar Port.
 - **Counter-Terrorism Cooperation via RATS:** India benefits from intelligence-sharing under RATS, especially on terror groups like LeT and JeM operating in Afghanistan and Pakistan. This supports India's internal security efforts.
 - **Balancing China and Pakistan's Axis:** Despite complex ties with both, SCO gives India space to neutralize anti-India narratives and assert its position on sovereignty, especially in response to China's OBOR and Pakistan's CPEC initiatives.
 - **Expanding India's Eurasian Footprint:** Through regular summits, defence exercises (e.g., SCO Peace Mission), and cultural exchanges, India expands its diplomatic and cultural influence beyond South Asia into Eurasia.
- **For the Region**
 - **Regional Security Architecture Without the West:** SCO represents a non-Western model of regional governance, promoting "multipolarity" and offering a strategic counterbalance to NATO and U.S.-led blocs.
 - **Platform for Coordinated Response in Afghanistan:** Post-U.S. withdrawal, SCO remains a key multilateral group to engage with the Taliban regime and coordinate counter-terrorism and humanitarian efforts.
 - **Economic Integration and Trade Initiatives:** Institutions like the SCO Business Council and Interbank Consortium facilitate cooperation in banking, SMEs, and cross-border investments.

Institutional and Geopolitical Challenges

- **Lack of Cohesion and Strategic Clarity:** The SCO has **no binding treaty mechanism** or enforcement structure. There is no common strategic vision—members disagree on key issues like Ukraine war, Taliban recognition, and China's regional ambitions.
- **India-China Rivalry:** China's assertiveness, including its Belt and Road push through contested territories (CPEC through PoK), creates diplomatic frictions. India abstains from endorsing BRI in SCO communiqués.
- **India-Pakistan Bilateral Gridlock:** SCO's consensus-based mechanism stalls when India and Pakistan differ—e.g., in counterterrorism agenda. Both refuse joint military initiatives despite participation in SCO exercises.
- **Iran's Inclusion and Anti-West Tilt:** Iran's 2023 entry and Belarus in 2024 have added anti-West voices, potentially making SCO more confrontational towards liberal democracies, which India may find uncomfortable.
- **Over-expansion and Agenda Dilution:** The inclusion of several dialogue partners and new members without capacity reform risks diluting the organization's effectiveness. The SCO struggles to move beyond symbolic declarations.

Way Forward for India

- **Selective Engagement:** India must utilize SCO for counter-terrorism and connectivity, while resisting Chinese attempts to hijack the agenda for BRI legitimization.
- **Promote a Multipolar Eurasian Narrative:** India can champion sovereignty, rule-based regionalism, and balanced development in SCO, drawing Central Asian states closer to its model of engagement.
- **Push for Economic and Cultural Diplomacy:** India's soft power initiatives like the **SCO Start-up Forum**, **SCO Young Scientists Conclave**, and **AYUSH-based traditional medicine cooperation** can be scaled up to boost influence.

Indian Ocean Rim Association (IORA)

Introduction

The **Indian Ocean Rim Association (IORA)** is an intergovernmental organization established in **1997** to promote **regional cooperation and sustainable development** among Indian Ocean littoral states. Headquartered in **Mauritius**, It comprises **23 Member States**, including India, Australia, Indonesia, South Africa, Bangladesh, UAE, and Sri Lanka.

Significance of IORA for India

- Enhances India's **strategic influence** in the Indian Ocean Region (IOR) and builds trust with island nations.
- Acts as a platform to **counterbalance China's assertive maritime presence**.
- Fosters **South-South Cooperation**, especially with East Africa and Indian Ocean island nations.
- Supports India's **energy and trade security**, as most maritime trade passes through IOR.
- Enables **maritime diplomacy** and builds India's profile as a **net security provider**.
- Facilitates collaboration on **climate resilience**, marine research, and clean energy technologies.

Challenges

- **Weak institutional structure** with no binding dispute resolution or enforcement mechanism.
- **Capacity gaps** among member countries hinder uniform implementation of programs.
- **China's increasing engagement** as a Dialogue Partner raises geopolitical concerns.
- **Resource constraints** limit the operational capability of the IORA Secretariat.
- **Overlapping regional groupings** (e.g., BIMSTEC, ASEAN, QUAD) dilute focus and coordination.
- **Low visibility and private sector involvement**, reducing IORA's practical impact.

Way Forward

- Increase India's **financial, technical, and leadership contribution** to IORA initiatives.
- Develop **regional maritime capacity building** programs for smaller island and African states.
- Promote **digital cooperation, sustainable fisheries**, and **early warning systems**.

- Align IORA's development agenda with India's **Blue Economy policy** and IPOI pillars.
- Encourage **academic, private sector, and youth engagement** to enhance regional inclusivity.

Keywords : Maritime Security, Energy Security, Connectivity Diplomacy, Soft Power Diplomacy, Multipolar World Order, Counter-Terrorism Cooperation, Climate Resilience, Disaster Management Cooperation, Cultural Diplomacy, Act East Policy, Indo-Pacific Vision, Economic Integration, People-to-People Connectivity, Trade Facilitation, Regional Security Architecture

Mains Practice Question :

Q1. Discuss the reasons behind the underperformance of SAARC and suggest measures for its revival.

Q2. Analyze the strategic significance of India's engagement with ASEAN in light of regional geopolitics.

Non-Aligned Movement (NAM)

Introduction (Overview + Founding Members)

The Non-Aligned Movement (NAM) was formally established in 1961 at the Belgrade Conference during the height of the Cold War. The movement was founded by visionary leaders such as Jawaharlal Nehru (India), Josip Broz Tito (Yugoslavia), Gamal Abdel Nasser (Egypt), Sukarno (Indonesia), and Kwame Nkrumah (Ghana). Today, NAM comprises 120 member states, making it the second-largest international grouping after the UN.

Guiding Principles of NAM



Role of NAM in Shaping India's Foreign Policy

- NAM provided India with a **third way** during the **Cold War**, allowing it to preserve its **strategic autonomy** without becoming subservient to either power bloc.
- India used NAM to:
 - Oppose apartheid, colonialism, and the arms race.
 - Champion the cause of **decolonization and global disarmament**.
 - Lead the movement for a **New International Economic Order (NIEO)** that demanded equitable global trade rules.
- NAM served as a **moral and diplomatic platform** for India to assert leadership among newly independent and developing nations.
- It allowed India to maintain **non-alignment in principle**, while being flexible in practice through issue-based engagement with all powers.

Relevance of NAM in the Present Global Scenario

- **Continued Relevance (Positive Aspects)**
 - **Platform for the Global South:** NAM remains a collective voice for developing countries on global issues like climate justice, vaccine equity, and debt relief.
 - **Strategic Autonomy:** With increasing global polarisation (e.g., US-China rivalry), NAM helps India and others maintain **non-aligned credibility**.
 - **Multipolar World Order:** NAM aligns with current calls for **multipolarity, UN reforms, and equitable global governance**.
 - **Global Justice Advocacy:** Useful in raising concerns of smaller states on **digital divide, global inequality, and trade protectionism**.
- **Erosion of Relevance (Criticisms and Limitations)**
 - **Post-Cold War identity crisis:** Absence of bipolarity has made NAM appear directionless.
 - **Internal divisions:** Diverse political and economic interests among members prevent collective action.
 - **Declining influence:** NAM has limited impact on major global decisions (e.g., WTO, UNSC reforms).
 - **India's strategic reorientation:** India's deeper ties with **Quad, USA, France**, and others sometimes appear at odds with NAM's core ideology.
 - **Rise of new forums:** Other groupings like **G20, BRICS, and SCO** have overtaken NAM in terms of geopolitical relevance.

Group of Twenty (G20)

Introduction

The G20 (Group of Twenty) is a premier forum for international economic cooperation, representing around 85% of global GDP, 75% of international trade, and nearly two-thirds of the global population. It was established in 1999 in the aftermath of the Asian Financial Crisis as a meeting of Finance Ministers and Central Bank Governors. It was elevated to the leaders' level in 2008 during the Global Financial Crisis to coordinate a global economic response.

Members

The G20 comprises **19 countries + the European Union**, including major economies like the **USA, China, India, Russia, Brazil, France, Germany, UK, Japan, South Korea, and Saudi Arabia**. India has been a member since its inception and plays an active role in shaping the G20's agenda.

Objectives of G20

- Promote **global financial stability** and economic growth.
- Foster **policy coordination** among major economies.
- Tackle global issues like **climate change, energy transitions, and health pandemics**.
- Ensure **inclusive and sustainable development**, especially in the Global South.

India's Role in G20

- India has been a strong advocate of:
 - **Global South issues**, digital inclusion, climate finance, and food & energy security.
 - **Reforms in global governance institutions**, particularly IMF and WTO.
- India hosted the **G20 Presidency in 2023**, under the theme "**Vasudhaiva Kutumbakam - One Earth, One Family, One Future.**"
- Major outcomes of India's G20 Presidency:
 - **Inclusion of African Union as a permanent member.**
 - Launch of **Global Biofuel Alliance** and **Digital Public Infrastructure Repository**.
 - Support for **LIFE movement (Lifestyle for Environment)** and **women-led development**.
 - Focus on **debt relief**, particularly for low-income countries.

Contemporary Relevance

- **Achievements of G20**
 - Coordinated response during the **2008 Global Financial Crisis**, averting a depression.
 - Created frameworks like **Base Erosion and Profit Shifting (BEPS)** to reform global taxation.
 - Facilitated **COVID-19 responses** including vaccine access, debt service suspension for poor nations.

- Enhanced focus on **climate finance, clean energy, and digital economy**.
- **G20 remains vital in:**
 - **Coordinating global economic recovery** post-COVID and amid global inflation.
 - Tackling **climate change**, debt distress, and reforming the **multilateral financial architecture**.
 - Bridging **North-South divides**, especially with India pushing inclusive agendas during its presidency.
 - Providing a platform for **global governance reforms**, with rising influence of emerging economies.

Challenges to G20 :

- **Lack of enforcement power:** G20 decisions are not legally binding.
- **Geopolitical divisions:** Rivalries (e.g., USA-China, Russia-West) dilute consensus.
- **Unequal representation:** No formal representation for many developing nations (addressed partially by AU inclusion).
- **Divergence in climate action commitments** between developed and developing countries.
- **Agenda overload:** Expanding focus beyond core financial issues risks losing effectiveness.

BRICS (Brazil, Russia, India, China, South Africa)

Introduction

The **BRICS** grouping—comprising **Brazil, Russia, India, China, and South Africa**—was formally institutionalized in **2009** (South Africa joined in 2010). It brings together major emerging economies that advocate for **multipolarity, inclusive development, and reform of global governance**. The bloc accounts for **over 40% of the world's population**, nearly **25% of global GDP**, and **16% of global trade**.

Recent Developments (2024–2025)

- **Expansion of Membership:**
 - In January 2024, Egypt, Ethiopia, Iran, and the UAE joined BRICS.
 - In January 2025, Indonesia became the 10th member—the first from Southeast Asia.

- **Introduction of “Partner Countries”:**
 - In the **2024 Kazan Summit**, BRICS introduced a new “Partner Country” category for nations like **Algeria, Vietnam, Kazakhstan, Nigeria, Turkey**, and others.
 - 9 of the invited 13 countries have accepted partner status.
- **Financial Initiatives:**
 - Development of the **BRICS Pay system**, a decentralized payment mechanism using local currencies.
 - Russia proposed an **alternative to the IMF** to support BRICS countries’ financial autonomy.

Significance of BRICS

- **Voice of the Global South:** Acts as a collective platform for emerging economies to raise development-centric issues like **climate finance, energy equity, and vaccine access**.
- **Challenge to Western Hegemony:** Seeks to **rebalance global power structures**, pushing back against the dominance of G7, IMF, and World Bank.
- **Institution Building:** Established bodies like the **New Development Bank (NDB)** and **Contingent Reserve Arrangement (CRA)** to enhance **financial independence** and infrastructure funding.
- **Multipolar World Advocacy:** Promotes a more democratic international order based on **non-interference, sovereignty, and pluralism**.
- **Platform for Strategic Autonomy:** Allows members, including India, to **balance relations** between the West and alternative global groupings without rigid alignments.
- **Regional Integration:** Facilitates cooperation among Latin America, Eurasia, South Asia, Africa, and Southeast Asia through South–South cooperation.

Challenges

- **Internal Divergences:** Border tensions (e.g., India–China), political rivalries, and conflicting geopolitical interests affect unity.
- **Asymmetry of Power:** China’s economic and political dominance raises concerns about **equitable influence** within the group.

- **Lack of Institutional Structure:** No **permanent secretariat** or binding enforcement mechanisms; decisions often remain declaratory.
- **Slow Economic Integration:** Trade among BRICS nations remains modest compared to their individual global engagements.
- **Diverse Political Systems and Priorities:** The group spans **liberal democracies, authoritarian states, and hybrid regimes**, making policy coherence difficult.

QUAD (Quadrilateral Security Dialogue)

Introduction

- The **Quadrilateral Security Dialogue (QUAD)** is an informal strategic forum comprising **India, the United States, Japan, and Australia**.
- It was originally conceived in **2007** by Japanese PM **Shinzo Abe**, but gained renewed momentum post-2017 in response to the **growing assertiveness of China** in the Indo-Pacific region.
- While not a military alliance, QUAD promotes a **free, open, inclusive, and rules-based Indo-Pacific**.

Core Objectives

- Uphold **freedom of navigation** and **territorial sovereignty** in the Indo-Pacific.
- Ensure **maritime security, counterterrorism, and cybersecurity** cooperation.
- Support **resilient supply chains, emerging technologies, and climate action**.
- Foster **democratic values, regional connectivity, and disaster response** coordination.

Major Initiatives and Working Areas

- **Indo-Pacific Maritime Domain Awareness (IPMDA):** Real-time tracking of dark shipping and maritime threats.
- **QUAD Vaccine Partnership:** Delivering COVID-19 vaccines across the Indo-Pacific.
- **Supply Chain Resilience Initiative:** Focused on critical minerals, semiconductors, and technology diversification.
- **QUAD Climate Working Group:** Promotes green shipping, clean hydrogen, and climate financing.

- **QUAD Critical and Emerging Technologies Group:** Cooperation in AI, 5G, quantum tech, and cybersecurity.
- **QUAD Cybersecurity Partnership:** Information sharing and infrastructure protection.

Significance of QUAD for India

- Enhances India's role as a **net security provider in the Indo-Pacific**.
- Counters China's influence in South Asia, Indian Ocean, and Southeast Asia.
- Diversifies India's strategic partnerships beyond traditional alliances (e.g., Russia).
- Facilitates access to **cutting-edge technology, investments, and defense collaboration**.
- Supports India's vision of **SAGAR** (Security and Growth for All in the Region).

Challenges

- **Perception of an Anti-China Alliance:** Despite official assertions that QUAD is not directed against any country, **China perceives it as a containment strategy**, which increases regional tensions and diplomatic pushback.
- **Divergence of Strategic Priorities Among Members:** While **India emphasizes strategic autonomy** and avoids formal military alliances, **Japan and Australia are treaty allies of the United States**, leading to differences in threat perception and response mechanisms.
- **Lack of Institutional Framework:** QUAD remains an **informal grouping without a permanent secretariat, legal mandate, or decision-making mechanism**, limiting its ability to take coordinated long-term actions.
- **Overlap with Other Strategic Groupings:** QUAD's agenda increasingly overlaps with **AUKUS, ASEAN-led forums, and the Indo-Pacific Economic Framework (IPEF)**, requiring delicate diplomacy to ensure complementarity rather than redundancy or competition.
- **Risk of Strategic Overstretch:** As QUAD expands its focus into diverse areas like technology, health, climate, and infrastructure, there is a **risk of diffusion of purpose and overcommitment**, potentially diluting its core strategic agenda.

Commonwealth of Nations

Introduction

The Commonwealth of Nations, often referred to simply as the Commonwealth, is a voluntary association of 56 independent and equal countries, most of which were formerly part of the British Empire. It was formally established in 1949 through the London Declaration, allowing republics (like India) to remain members. The association is not a political union, but a forum for cooperation based on shared values of democracy, human rights, rule of law, and sustainable development.

Key Features

- **Head of the Commonwealth:** The British monarch (currently King Charles III), serves as a symbolic figurehead.
- **Secretariat:** Based in **London**, coordinates Commonwealth affairs.
- **Commonwealth Charter (2013):** Codifies core values such as **gender equality, democracy, freedom of expression, and environmental sustainability**.
- Membership is **voluntary** and not limited to former British colonies (e.g., Rwanda, Mozambique, and Togo are members without colonial ties to Britain).

Objectives

- Promote **democracy, good governance, and the rule of law**.
- Encourage **economic growth, trade, and sustainable development**.
- Foster **cultural exchange, education, and people-to-people contact**.
- Strengthen **multilateral cooperation** among developing and developed members.

India and the Commonwealth

- **Founding member** and a key player in **reshaping the Commonwealth post-independence**.
- India chose to remain a member in 1949 despite becoming a republic, a decision that helped **decolonize and democratize** the institution.
- India uses the Commonwealth to:
 - Project soft power, especially in **Africa, the**

Caribbean, and Pacific Islands.

- Engage in **capacity-building, election observation,** and technical assistance programs.
- Promote **digital inclusion, climate action, and south-south cooperation.**
- Hosts regular participation in the **Commonwealth Heads of Government Meeting (CHOGM).**

Significance for India

- **Global South Leadership:** Enhances India's outreach to small and developing nations.
- **Soft Power Diplomacy:** Showcases India's democratic model, culture, and civilizational values.
- **Educational & Youth Engagement:** Supports scholarships, internships, and youth leadership programs for Indian citizens.
- **Trade and Investment Opportunities:** Offers a platform for engaging with **English-speaking markets** and legal systems based on common law traditions.
- **Development Cooperation:** Platform for engaging in areas like **gender equity, education, health, and climate resilience.**

Challenges and Criticisms

- **Colonial legacy perception:** Still seen by some as a relic of British imperialism, limiting its moral authority.
- **Lack of enforcement mechanisms:** Has **no binding powers or sanctions,** even in cases of democratic backsliding or rights violations.
- **Limited political relevance:** Overshadowed by stronger multilateral forums like the **UN, G20, BRICS,** and **regional blocs.**
- **Low visibility and engagement:** Diminished political commitment and media coverage reduce its influence.
- **Internal disparities:** Diverse membership with differing political systems, economies, and values makes consensus difficult.

I2U2 Grouping

Introduction

I2U2 is a **quadrilateral economic and strategic cooperation forum** comprising **India, Israel, the**

United Arab Emirates (UAE), and the United States (US). It was launched in **October 2021,** building on trilateral cooperation between **India-Israel-UAE,** later expanded to include the US.

Core Objectives

- Promote **joint investments and collaboration** in **key sectors:** food security, energy, technology, infrastructure, water, space, and health.
- Strengthen **economic partnerships** and **regional integration** between South Asia, the Middle East, and the West.
- Create **sustainable, inclusive, and innovation-led cooperation models.**

Key Projects and Areas of Cooperation

- **Food Security Initiative (UAE-India):**
 - UAE to invest **\$2 billion** to develop integrated food parks in India.
 - Parks will incorporate **climate-smart technologies,** waste reduction, and logistics improvements.
- **Renewable Energy Project (India-Israel-USA-UAE):**
 - Joint venture to establish a **300 MW hybrid renewable energy project** in Gujarat.
 - US and Israeli expertise, UAE funding, and Indian implementation.
- **Technology and Infrastructure:**
 - Shared focus on **emerging tech, AI, fintech, semiconductor supply chains,** and **digital public infrastructure.**
 - Aim to build **resilient logistics and transportation corridors** across regions.
- **Water and Climate Resilience:**
 - Israel's water management technologies and US funding to support Indian smart agriculture and water reuse models.

Significance for India

- **Strategic balancing:** Enhances India's partnerships in the **Middle East without alienating Iran,** maintaining **multi-alignment.**
- **Economic boost:** Attracts investment in **critical infrastructure and energy.**
- **Food and energy security:** Strengthens supply

chain resilience amid global disruptions.

- **Technological leap:** Access to **high-end tech** from the US and Israel for India's innovation ecosystem.
- **Soft power and diaspora leverage:** Strong Indian diaspora in UAE and USA strengthens India's engagement.

Challenges

- **Iran factor:** Deepening ties with Israel and UAE could strain India's long-standing relations with Iran.
- **Asymmetric capacities:** Varying strategic interests and capabilities among members may affect momentum.
- **Lack of institutional structure:** No permanent secretariat or formal treaty-based framework.
- **Geopolitical tensions:** Regional instability (e.g., Israel–Palestine conflict, Iran–US tensions) may complicate cooperation.

Way Forward

- Institutionalize the grouping with a **clear roadmap and regular summits**.
- Focus on **deliverable-oriented cooperation** in agriculture, climate, and start-up ecosystems.
- Ensure **balance in West Asia diplomacy**, maintaining strong ties with both Gulf and non-Gulf actors.
- Leverage I2U2 to **create development models for Global South**, showcasing scalable innovations in food, health, and water.

AUKUS and Its Implications for India

Introduction

The AUKUS partnership is a trilateral security pact between Australia, the United Kingdom, and the United States, announced in September 2021, aimed at bolstering military and technological capabilities in the Indo-Pacific. AUKUS focuses on areas like nuclear-powered submarines, cyber capabilities, artificial intelligence, and undersea technologies, with the explicit intent of deterring China's assertiveness in the region.

Why AUKUS Matters for India

- **Positive Significance for India**
 - **Strengthens Anti-China Coalition:** AUKUS

reinforces the **deterrence architecture** against China, indirectly supporting India's interests amid ongoing border tensions and Chinese maritime expansion in the Indian Ocean.

- **Complementarity with Quad:** While AUKUS is a hard-security pact, **Quad focuses on soft-security cooperation** (vaccines, climate, infrastructure). Both can function in **parallel to maintain regional balance** without overlapping mandates.
- **Diversifies Regional Partnerships:** AUKUS enhances **Australia's defence capabilities**, allowing India to rely more on its Indo-Pacific partner for **maritime collaboration and intelligence sharing**.
- **Focus on Emerging Tech:** India's tech partnerships with the US can benefit from **spillover effects** in AI, cyber, and quantum areas being developed under AUKUS.
- **Strategic Concerns for India**
 - **Exclusion from Key Security Architecture:** India's absence from AUKUS may **limit its role in regional security decision-making**, especially in maritime military dynamics and intelligence sharing frameworks.
 - **Potential Undermining of Strategic Autonomy:** A stronger US-led security framework could **pressure India into formal alignments**, affecting its **non-aligned, issue-based strategic autonomy**.
 - **Risk of Regional Arms Race:** The nuclear-powered submarine deal could trigger a **military build-up in the Indo-Pacific**, encouraging **China to increase naval deployments** in the Indian Ocean Region (IOR), challenging India's maritime primacy.
 - **Marginalization of ASEAN and Indian-led Frameworks:** AUKUS may dilute **ASEAN centrality** and **India's SAGAR vision**, if not carefully harmonized with existing multilateral platforms.
 - **Nuclear Non-Proliferation Concerns:** Although the submarines are not nuclear-armed, **transfer of nuclear propulsion tech** could set a precedent that **weakens the NPT regime**, which India indirectly supports despite being outside it.

Keywords : Global Governance Reform, Digital Public Infrastructure, Climate Justice, Vaccine Equity, Trade Protectionism, Soft Power Diplomacy, Rules-Based Order, Non-Alignment, Economic Multilateralism, Technological Sovereignty, Food and Energy Security, Maritime Security, Development Diplomacy, Plurilateralism, Supply Chain Resilience

Mains Practice Question :

Q1.Examine the significance of BRICS expansion for India's geopolitical and economic interests.

Q2.How does QUAD complement India's Indo-Pacific strategy? Highlight the challenges faced in sustaining its cohesion

In news :

- **India - United Kingdom:** Recently, India-UK signed FTA, to boost bilateral trade between two nations.
- **India - New Zealand:** Recently, India signed defence MoU on counter terrorism in Indian subcontinent with New Zealand a five eye alliance partner
- **BIMSTEC:** Recently, India pushed BIMSTEC for trade and maritime security, planning 2025 summit for regional FTA to counter China.
- **BRICS:** Recently, India defended BRICS' role amid US tariff threats, emphasizing UNSC reforms and trade ties with new members like UAE, Egypt.
- **SCO:** Recently, India-Russia deepened SCO ties for security, trade, and multipolar world order, balancing China's influence.

Acronym

LEAD (India's Approach to Bilateral and Multilateral Engagements)

- **L** – Leverage Strategic Partnerships
- **E** – Economic Diplomacy and Trade Deals
- **A** – Alignment with Global Norms
- **D** – Developmental Cooperation

PACT (India's Priorities in International Agreements)

- **P** – Peace and Security
- **A** – Access to Markets and Technology
- **C** – Climate and Environmental Goals
- **T** – Technology Transfer and Innovation

RISE (India in Global Groupings)

- **R** – Regional Leadership (e.g., BIMSTEC, BBIN)
- **I** – Influence in Global Fora (e.g., G20, UN, WTO)
- **S** – Strategic Balancing (e.g., QUAD, SCO, BRICS)
- **E** – Economic Integration (e.g., FTAs, IPEF)

STAGE (India's Role in Multilateral Institutions)

- **S** – Security Council Reform Advocacy
- **T** – Trade Representation (WTO, FTAs)
- **A** – Alliances in the Global South (BRICS, G77)

- **G** – Global Governance Participation
- **E** – Environmental Diplomacy (e.g., COP, ISA)

FORCE (Factors Affecting India's Interest in Groupings)

- **F** – Financial Commitments and Aid
- **O** – Overlapping Geopolitical Interests
- **R** – Regulatory and Trade Barriers
- **C** – Cultural and Political Sensitivities
- **E** – External Pressures (from China/US etc.)

Ready-made templates for Introduction & Conclusion

India - Japan

- **PM Shinzo Abe:** "India and Japan relations hold the greatest potential of any bilateral relationship anywhere in the world."
- **PM Manmohan Singh:** "India and Japan are civilisational neighbours."
- The complementary nature of the Indian and Japanese economy, and their converging security and political interests, make them 'natural allies' with 'common causes', and therefore, *mandatory partners* in the long run.

India - USA

- **PM Modi:** "India-US relations are no longer just another partnership. It is a far greater and closer relationship."
- Rooted in democratic values and a commitment to economic growth, from diplomatic collaborations to strategic partnerships, India-US relations have witnessed remarkable transformations, shaping global geopolitics.
- India and the United States share a dynamic relationship that has evolved significantly over the years. The evolving dynamics of India-US relations not only impact the two countries directly but also contribute significantly to the broader landscape of global diplomacy and economic progress.

India - Israel

- **PM Netanyahu:** *IT (Indian Talent) × IT (Israeli Technology) = (I Square T Square) India-Israel Ties*

for Tomorrow

- India and Israel share a unique diplomatic relationship characterized by strategic cooperation in various fields. Established in 1992, their ties have evolved beyond traditional diplomacy, encompassing defense, technology, agriculture, and more.
- The India-Israel partnership stands as a testament to the transformative power of international collaboration. As both nations continue to face complex challenges, their shared commitment to innovation and security ensures a resilient and dynamic relationship.

India – Iran

- **PM Modi:** *"India and Iran are not new friends. Our dosti is as old as history."*
- The strategic significance of the Indo-Iranian relationship has grown in the context of geopolitical developments, making it a key partnership in South Asia and the Middle East.
- Strengthening diplomatic, economic, and strategic ties between India and Iran not only serves their mutual interests but also contributes to a more balanced and resilient response to the geopolitical challenges presented by China.

India – Russia

- **PM Modi:** *"Every child in India knows who is India's best friend."*
- **S. Jaishankar:** *"Geopolitics and strategic convergence will always keep India-Russia ties on a positive trajectory."*
- Weakest aspects of India-Russia relation is it is driven through government-to-government relations. No relations can move forward only on a single track. There is a need to strengthen economic engagement and improve people-to-people contact.

India – Africa

- **S. Jaishankar:** *"Africa is foreign policy priority of India."*
- **Nelson Mandela:** Described India-African ties as *'the golden thread'* woven in the common struggles against injustice and oppression.

- India's engagement with Africa has its own unique script. A strong emotional link defined by our shared history of struggle against colonialism and our aspiration to bring prosperity to our people.

India – Central Asia

- Central Asia's location at the heart of Eurasia, its geographical proximity, and historic linkages, makes the region highly relevant to India's strategic interests.
- As India looks beyond its borders, Central Asia provides India with the right platform to leverage its political, economic, and cultural connections to play a leading role in Eurasia.

India – West Asia

- Being a gateway to Central Asia, India's energy security, trade, and security interests have been the key drivers of its growing engagement with the region.
- India's relationship with West Asia has undergone a transformative shift in recent years, evolving from a historical relationship built on religion and remittances to a partnership based on mutual interests.
- India shares political and security concerns, and needs to pool in efforts for peace and stability in the Gulf. Given the conflicts and volatility of the region, Indian diplomacy needs to approach West Asia with pragmatism, delicacy and sophistication.

Indo-Pacific

- Indo-Pacific is a strategic space which offers a number of challenges and opportunities for India and all other stakeholders. Appropriate diplomatic policies and economic and military assertion is vital for the implementation of India's interests in the region.
- As the center of geopolitics is shifting towards the Indo-Pacific, the region is becoming more important from a strategic and economic point of view. In that context, India needs to carefully decide its Indo-Pacific strategy without affecting sovereignty and security of the nation.

QUAD

- The Quad, officially the Quadrilateral Security Dialogue (QSD), is not a formal alliance. It is an informal strategic forum comprising four maritime democracies: India, Japan, Australia and the United States.
- QUAD is not an alliance but a progressive diplomatic bond with escalation remaining flexible and responsive to Chinese actions and building the capability and interoperability to counter jointly when the need arises.

Navigating the Syllabus: What You Need to Know

Effect of Policies and Politics of Developed and Developing Countries on India's interests, Indian Diaspora

- **Impact on India's Interests**
 - **From Developed Countries:**
 - **Trade Protectionism:** US & EU tariffs, digital tax disputes affect Indian exports (steel, IT, pharma).
 - **Climate Policies:** EU CBAM, US IRA raise compliance costs, risk green protectionism.
 - **Tech Restrictions:** Export bans (e.g., semiconductors) limit India's access to critical tech.
 - **Digital Rules:** GDPR, DMA create hurdles for Indian IT firms, push for domestic regulatory alignment.
 - **From Developing Countries:**
 - **China's REE Controls:** Threaten India's clean energy, defense sectors.
 - **Regional Instability:** Pakistan, Sri Lanka, Myanmar crises impact India's border security and connectivity.
 - **China's BRI Influence:** Reduces India's strategic space in the neighborhood.
- **Indian Diaspora**
 - Economic contributions.
 - Soft Power: Diaspora leaders, cultural promotion, political lobbying (e.g., Indo-US relations).
 - Challenges.

UPSC Previous Year Questions

Question	Nature of Question	Core Demand
'The West is fostering India as an alternative to reduce dependence on China's supply chain and as a strategically to counter China's political and economic dominance.' Explain. (2024)	Contemporary + Strategic	Explain how West sees India as counterweight to China with examples.
Indian diaspora has scaled new heights in the West. Describe its economic and political benefits for India. (2023)	Static + Contemporary	Describe economic and political benefits of diaspora for India.
Clean energy is the order of the day. Describe India's changing policy towards climate change in international fora in the context of geopolitics. (2022)	Environmental Diplomacy + Geopolitics	Describe India's evolving climate policy in global forums.
AUKUS aims to counter China in Indo-Pacific. Will it supersede existing partnerships? Discuss strength and impact. (2021)	Geostrategic + Analytical	Discuss relevance, strength and impact of AUKUS in current Indo-Pacific dynamics.

The USA is facing an existential threat in the form of a China, more challenging than Soviet Union. Explain. (2021)	Contemporary + Strategic	Explain why China is a greater threat to the USA than USSR.
Indian diaspora has a decisive role in politics and economy of America and Europe. Comment. (2020)	Diaspora + Contemporary	Comment on political and economic role of diaspora in the West.
US-Iran nuclear pact controversy: impact on India's national interest and India's response. (2018)	Geopolitical Issue + Strategic	Discuss impact of US-Iran nuclear issue on India and India's response.
Role of Indian diaspora in South-East Asia's economy and society. Appraise. (2017)	Diaspora + Regional Engagement	Appraise diaspora's socio-economic contribution in South-East Asia.
Political developments in Maldives in last 2 years — cause of concern to India? (2013)	Bilateral + Regional Stability	Discuss Maldives' political events and their impact on India.

Introduction

India's interests are deeply influenced by global policies and politics. From trade and security to climate and regional stability, actions by developed and developing nations shape India's strategic choices. Navigating these dynamics is key to protecting national interests and asserting global influence.

USA's Protectionist Measures / Weaponization of Trade Context

In recent years, the United States has adopted increasingly protectionist trade policies, using tariffs and trade controls not just for economic reasons, but as tools of strategic influence. This trend has global implications, including for India's trade, diplomacy, and multilateral positioning.

Key Protectionist Measures and Trade Weaponization by the USA

- **High Tariffs on Imports:** The U.S. has imposed sweeping tariffs, including 25–50% duties on imports from China, EU, and others. Recent tariffs also target smartphones, EVs, and strategic commodities.
- **Reciprocal Tariffs Doctrine:** The U.S. is implementing "reciprocal" tariffs globally, raising duties to match those of trading partners, disrupting established trade norms.
- **National Security Justification:** Import restrictions, especially on semiconductors, rare earths, and telecom equipment, are justified under national security, expanding executive control over trade.
- **Targeted Pressure on MNCs:** U.S. firms like Apple and Walmart are facing pressure to localize supply chains and align operations with strategic trade goals.
- **Export Controls and Tech Restrictions:** The U.S. has restricted exports of high-tech goods to countries like China and Russia, and tightened screening of outbound investments in sensitive sectors.

Implications for India

- **Export Vulnerability:** Sectors like gems & jewelry, auto components, steel, marine products, and information technology services are exposed to U.S. tariff fluctuations, leading to potential revenue and employment losses.
- **Supply Chain Reconfiguration:** The U.S.–China decoupling is shifting global supply chains. While this creates opportunities for India, it also requires rapid adaptation in logistics, compliance standards, and infrastructure.
- **Opportunities in Select Sectors:** Indian textiles, generic pharmaceuticals, and leather goods may benefit from market shifts as Chinese competitors face U.S. restrictions.
- **Investment Volatility:** Protectionist moves create investor uncertainty, potentially affecting **FDI inflows into India's export-oriented sectors.**
- **Bilateral Trade Tensions:** Disputes over tariffs on agricultural goods, medical devices (e.g., stents), digital services taxes, and intellectual property persist, straining ties.
- **Push for Tariff Reductions:** India is offering to lower tariff gaps to gain better access in sectors like automobiles and defense, but strategic sensitivity remains.
- **Increased Negotiating Complexity:** India must navigate a dual challenge—**engaging with the U.S. as a strategic partner** while managing trade pressures that challenge its domestic policy autonomy.
- **Digital Trade Conflicts:** Divergences on **data localization, cross-border digital flows,** and e-commerce regulation could become friction points in future negotiations.
- **Impact on Multilateral Alignment:** U.S. unilateral actions often clash with India's emphasis on **WTO-led dispute resolution** and **Global South solidarity,** creating diplomatic dilemmas..

Implications for Global Governance

- **Undermining of WTO Norms:** Unilateral U.S. tariffs and disregard for WTO rulings weaken the rules-based global trading system.
- **Rise in Trade Fragmentation:** Protectionism encourages formation of regional trade blocs,

increasing exclusion risks for countries like India not party to mega FTAs.

- **Erosion of Global Trust:** Sudden shifts in U.S. policy generate uncertainty in global markets, disrupt investment flows, and weaken multilateral cooperation.

What India Should Do

- **Strategic Trade Negotiation:** Continue calibrated engagement with the U.S. to secure tariff waivers and favourable access, while maintaining strategic autonomy.
- **Diversify Export Destinations:** Expand trade with ASEAN, Africa, EU, and Latin America to reduce overdependence on U.S. and China.
- **Strengthen Domestic Value Chains:** Invest in PLI schemes and infrastructure to make Indian manufacturing globally competitive.
- **Champion Multilateralism:** Use platforms like WTO, G20, BRICS, and IPEF to push for fair trade, inclusive reforms, and safeguard interests of developing economies.

China's Rare Earth Elements (REE) Export Control Policy

Context

In April 2025, China imposed export controls on seven medium and heavy rare earth elements (REEs), including dysprosium, terbium, and samarium, citing national security concerns. This move, amid escalating trade tensions with the U.S., highlights China's strategic dominance over global REE supply chains.

Key Features of the Policy

- **Export Licensing Regime:** China introduced a licensing system that mandates prior government approval for exporting certain REEs and related products.
- **Strategic Focus:** The controls target REEs critical for sectors such as defense, semiconductors, green technologies, and electronics, particularly those used in permanent magnets.
- **Global Scope:** Though prompted by U.S. actions, the controls apply globally, impacting all importing nations and heightening supply chain uncertainty.

Implications for India

- **Supply Chain Disruptions:** Sectors like electric vehicles, electronics, wind turbines, and solar equipment in India may face material shortages and rising costs.
- **High Import Dependence:** India imports over 85% of its REE requirements from China, making it highly vulnerable to pricing shocks and restricted access.
- **Delays in Clean Energy Goals:** India's ambitious energy transition targets may be adversely affected due to limited access to REEs used in battery storage and wind energy infrastructure.
- **Defence Sector Vulnerability:** India's indigenisation of missile guidance systems, radar, and precision weaponry depends on REE-based components, posing a national security concern.
- **Reduced Negotiating Leverage:** China's monopoly on REE supply enhances its strategic bargaining power in geopolitical and economic negotiations.
- **Opportunity for Realignment:** Encourages India to expand partnerships with REE-rich countries (e.g., Australia, Brazil, and some African nations) and explore regional strategic mineral cooperation.

Implications for Global Governance

- **Undermining of WTO Norms:** China's unilateral action challenges global trade principles and exposes gaps in dispute resolution mechanisms regarding critical minerals.
- **Global Supply Chain Reconfiguration:** Countries are incentivized to invest in non-Chinese REE sources, leading to new resource alliances and long-term diversification strategies.
- **Rise in Resource Nationalism:** China's move could trigger similar controls by other countries on strategic minerals, threatening global cooperation and open market access.

What India Should Do

- **Diversify Import Sources:** Forge long-term REE supply agreements with trusted partners like Australia, the U.S., and Africa.

- **Develop Domestic Reserves:** Expedite exploration, mining, and processing of domestic REE reserves, particularly in Andhra Pradesh and Odisha.
- **Establish Strategic Stockpiles:** Build reserves of critical REEs to cushion against future external shocks and price volatility.
- **Invest in R&D and Substitution:** Promote innovation in REE recycling and the development of substitutes, such as ferrite magnets and alternative energy materials.
- **Strengthen Multilateral Frameworks:** Lead or join international coalitions on critical mineral security (like the Mineral Security Partnership) to ensure resilient and fair supply chains.

Climate Policies of Developed Countries

Context

Developed countries, historically responsible for a large share of global emissions, are at the center of climate policy leadership. Their domestic climate actions and regulatory frameworks have deep impacts on global climate governance, trade systems, and the developmental space of countries like India.

Key Climate Policy Initiatives

- **European Union**
 - **European Green Deal** aims for climate neutrality by 2050.
 - **Fit for 55 Package** sets a binding target of 55% emission reduction by 2030.
 - **Carbon Border Adjustment Mechanism (CBAM)** introduces carbon tariffs on imports like steel and cement.
 - **Emissions Trading System (ETS)** expanded to cover shipping and other high-emission sectors.
- **United States**
 - **Inflation Reduction Act (IRA)** allocates ~\$400 billion for clean energy, tax credits for renewables, EVs, and domestic manufacturing.
 - Rejoined the **Paris Agreement**, committing to a 50–52% emission reduction by 2030 (from 2005 levels).
 - Announced enhanced contributions to global climate finance.

- **United Kingdom**

- Legally committed to **Net Zero by 2050**, with an interim target of 81% reduction by 2035 (from 1990 levels).
- Introduced incentives for offshore wind, electric vehicles, and carbon capture technologies.

- **Germany**

- Targets **climate neutrality by 2045**, ahead of EU's 2050 goal.
- Phasing out coal by 2038; increasing investment in **green hydrogen**, solar, and wind power.

Implications for India

- Measures like the **EU's CBAM** could significantly raise compliance costs for Indian exporters in carbon-intensive sectors such as steel, aluminum, and fertilizers, impacting competitiveness.
- Developed countries' aggressive **subsidies under laws like the IRA** may distort global clean-tech trade and reduce the space for Indian manufacturers in sectors like solar panels and batteries.
- India faces **pressure to enhance its own climate targets** even as it still grapples with development priorities and energy access for millions.
- The growing trend of **green protectionism** could lead to a form of "climate colonialism," where stricter climate regulations become trade barriers.
- However, the global green transition also opens up **new opportunities for India** in areas like green hydrogen exports, digital carbon markets, and clean manufacturing.
- India may also **benefit from increased climate finance**, technology transfer, and global demand for sustainable products—if effectively leveraged.

Implications for Global Governance

- Climate policies of developed countries often **dominate multilateral climate negotiations**, leaving limited room for equitable burden-sharing.

- **Gaps in climate finance delivery**, despite repeated pledges, undermine trust between the Global North and South.
- **Export of green standards and regulatory frameworks** (e.g., taxonomy rules, product carbon labelling) shapes international trade and investment flows.
- These policies raise questions on **equity, historical responsibility**, and the **principle of Common But Differentiated Responsibilities (CBDR)** under UNFCCC.

What India Should Do

- **Strengthen domestic climate policies** through robust implementation of initiatives like PM-PRANAM, National Green Hydrogen Mission, and renewable capacity targets.
- **Diversify export markets** and invest in low-carbon manufacturing to shield key sectors from carbon-based trade restrictions.
- **Lead coalitions of developing countries** in climate forums to advocate for equity, transitional finance, and climate justice.
- **Expand bilateral climate partnerships** (e.g., with EU, Japan, and UAE) for technology access, joint R&D, and green infrastructure funding.
- **Accelerate green skilling and innovation** to position India as a competitive player in the global clean economy.

EU's Digital and Data Governance Policies

Context

The European Union (EU) is positioning itself as a global leader in digital regulation by adopting a rights-based, secure, and innovation-driven approach to digital and data governance. These policies have significant implications for global tech governance and India's digital economy.

Key Legislative Frameworks

- **General Data Protection Regulation (GDPR)**: Enforced since 2018, it sets global standards for personal data protection, emphasizing user consent, data minimization, and the right to be forgotten.
- **Data Governance Act (DGA)**: Effective from 2023, it promotes data sharing across sectors by

enabling the reuse of public sector data and regulating data intermediaries.

- **Data Act**: Set to apply from September 2025, it ensures fair access to non-personal data, particularly from IoT devices, while supporting innovation and competitiveness.
- **Digital Services Act (DSA)**: Enhances accountability of online platforms, enforces transparency in content moderation, and imposes obligations to curb illegal content and misinformation.
- **Digital Markets Act (DMA)**: Targets digital "gatekeepers" (like large tech platforms), requiring fair practices and prohibiting anti-competitive behaviour.
- **Artificial Intelligence Act (AI Act)**: Introduced a risk-based regulatory framework, banning harmful AI uses and regulating high-risk applications, including in biometric surveillance and law enforcement.
- **Cloud and AI Development Act (Proposed 2025)**: Aims to bolster indigenous cloud infrastructure and AI capability within the EU to reduce reliance on non-EU platforms.

Implications for India

- **Regulatory Compliance Burden**: Indian IT firms, fintech platforms, and digital service exporters operating in the EU face increased costs due to the need to comply with complex regulations such as GDPR, DSA, and DMA. This may disproportionately affect small and medium enterprises (SMEs), limiting their market participation.
- **Constraints on Cross-border Digital Trade**: EU's restrictions on data transfers and emphasis on "data sovereignty" threaten India's BPO, cloud services, and AI training sectors which rely on unrestricted cross-border data flow.
- **Policy Pressure on Domestic Frameworks**: EU's normative push may compel India to accelerate regulatory reforms in data protection, cybersecurity, and competition law to remain interoperable and avoid digital trade friction.
- **Geopolitical Sensitivity in Digital Taxation**: India's stance on digital taxes (like the equalisation levy) could face resistance as the EU tightens its stance on extraterritorial platform

accountability and harmonized tax regimes under OECD.

- **Strategic Alignment Opportunity:** India's enactment of the Digital Personal Data Protection Act (2023) opens doors for regulatory convergence with EU frameworks, enhancing trust and facilitating a digital trade agreement.
- **Collaborative Prospects in Tech Governance:** India stands to benefit from EU-led initiatives on AI ethics, DPI standards, and digital public goods, strengthening its voice in multilateral forums like G20 and the Global Digital Compact.
- **Start-up Ecosystem Leverage:** Indian start-ups working in AI, IoT, and cyberlaw could access EU markets, funding, and R&D collaborations, provided they meet ethical and regulatory thresholds set by EU frameworks.

Implications for Global Governance

- **Shift in Global Norm-setting:** The EU, through GDPR, AI Act, and DSA, is asserting leadership in digital regulation, often influencing how other jurisdictions—especially developing countries—shape their own data and digital policies.
- **Fragmentation of the Global Internet:** Diverging national and regional frameworks (EU vs. U.S. vs. China vs. Global South) risk creating a “splinternet” that undermines the open, interoperable nature of the global digital ecosystem.
- **Tensions Between Trade and Regulation:** As digital regulations (e.g., CBPRs, data localization mandates) gain prominence, tensions may rise between WTO norms and sovereign digital policies, complicating digital economy agreements.
- **Pressure on Multilateral Forums:** The EU's unilateral policy actions could either galvanize or sideline global consensus-building platforms like the WTO's e-commerce negotiations or UN's Global Digital Compact process.
- **Ethical Tech Diplomacy:** The EU's values-based governance model—emphasizing privacy, accountability, and human rights—may push global AI and digital policy in a more ethical, rights-respecting direction, offering a counterbalance to surveillance-oriented regimes.

What India Should Do

- **Regulatory Alignment:** Gradually align domestic laws with global digital frameworks like GDPR to enable smoother trade and legal compatibility.
- **Promote Interoperability:** Ensure India's digital infrastructure and compliance standards can engage with both EU and other global regulatory environments.
- **Strengthen Institutional Capacity:** Equip regulators, judiciary, and businesses with resources and skills to handle compliance, dispute resolution, and digital oversight.
- **Engage in Standard-Setting Forums:** Take an active role in international digital policy negotiations (e.g., G20 Digital Economy Working Group, UN Global Digital Compact).
- **Enhance Domestic Ecosystem:** Promote start-ups in AI, cyberlaw, and data analytics through innovation hubs, regulatory sandboxes, and cross-border R&D partnerships.

West Asia Political Dynamics

Context

West Asia remains a hotspot of geopolitical realignment in 2025, marked by prolonged conflicts, renewed diplomacy, shifting U.S. engagement, and rising influence of regional actors. These dynamics have far-reaching consequences for India's energy security, diaspora, and strategic interests.

Key Political Developments

- **Prolonged Israel-Hamas Conflict:** The war between Israel and Hamas has entered its 20th month, causing severe humanitarian crises in Gaza and internal political pressure within Israel. This has polarized regional actors and strained international diplomacy.
- **Evolving U.S. Approach:** The U.S. has recalibrated its West Asia engagement by encouraging regional actors to take lead in conflict resolution. There's a shift towards pragmatic balancing between Israel, Arab states, and Iran.
- **Iran's Regional Posture:** Despite economic stress, Iran continues using proxy networks in Lebanon, Iraq, Yemen, and Syria to retain

strategic depth. Its nuclear ambiguity and recent thawing relations with Gulf states create a fluid regional balance.

- **Turkey's Assertive Diplomacy:** Turkey has increased its regional footprint through mediation efforts, strategic military positioning in Syria and Libya, and active engagement in energy and reconstruction diplomacy.
- **Saudi-UAE Activism:** Gulf powers are asserting regional leadership—pushing normalization with Israel, engaging with Iran, and investing in pan-regional economic corridors and infrastructure.

Implications for India

- **Energy Security Risks:** Political instability in West Asia directly affects India's energy imports, given over 60% of its crude comes from the region. Any escalation threatens price stability and energy planning.
- **Diaspora Vulnerability:** With over 8 million Indians residing in the Gulf, regional unrest threatens not just their safety but also vital remittances, especially from UAE, Saudi Arabia, and Qatar.
- **Strategic Balancing:** India must navigate relationships with rival actors—Israel, Iran, and the Arab Gulf—without alienating any, to preserve autonomy and gain access to markets, defence technology, and intelligence.
- **Impact on Connectivity Projects:** Instability may hinder progress on connectivity initiatives like the India–Middle East–Europe Economic Corridor (IMEEC) and the Chabahar Port project, both crucial for India's strategic outreach.
- **Trade and Investment Exposure:** India's trade with West Asia exceeds \$200 billion annually. Regional disruptions can affect sectors like construction, food exports, IT services, and infrastructure investment.
- **Counter-Terrorism Cooperation:** The spread of extremism in conflict zones like Syria and Yemen increases the risk of transnational terrorism. India's cooperation with West Asian security agencies is crucial for preemptive action.

What India Should Do

- **Diversify Energy Sources:** Expand strategic petroleum reserves and build deeper energy ties

with Latin America, Central Asia, and Africa to reduce overdependence on West Asia.

- **Deepen Bilateral Diplomacy:** Enhance high-level engagements with Israel, Iran, UAE, and Saudi Arabia, focusing on trade, security, and regional stability without taking sides.
- **Strengthen Diaspora Security Framework:** Establish rapid response consular mechanisms and labour protection agreements to safeguard Indian workers in the region.
- **Accelerate Infrastructure Linkages:** Fast-track India's participation in IMEEC, Chabahar–INSTC, and maritime partnerships in the Red Sea and Gulf of Aden.
- **Enhance Counter-Terrorism Intelligence:** Institutionalize intelligence-sharing and capacity-building programs with regional security agencies to combat radicalization and transnational threats.

Political Instability in Neighbourhood Context

India's neighbourhood continues to face political turmoil driven by regime transitions, internal conflicts, economic crises, and rising external influence. These developments directly impact India's strategic, economic, and security interests, making regional stability a top foreign policy priority.

Key Political Developments

- **Pakistan**
 - Heightened India–Pakistan tensions followed the April 2025 Pahalgam terrorist attack. Military exchanges led to casualties on both sides before a fragile ceasefire was brokered.
 - The Balochistan insurgency remains active, with high-profile attacks like the Jaffar Express hijacking exposing internal fragmentation and governance deficits.
- **Bangladesh**
 - After Prime Minister Sheikh Hasina's resignation in 2024, Bangladesh saw widespread political violence, especially targeting Hindu minorities, raising concerns about communal harmony and political vacuum.
- **Nepal**
 - Pro-monarchy demonstrations in 2025 have

led to political clashes, prompting fears of constitutional rollback and increased militarization along the India–Nepal border.

- **Sri Lanka**
 - The country continues to face economic distress, debt servicing issues, and political instability, with repeated cabinet reshuffles and public protests over inflation and unemployment.
- **Maldives**
 - A geopolitical shift is visible with the Maldives increasingly leaning towards China for investment and infrastructure, while ties with India cool amid domestic "India Out" campaigns.

Implications for India

- **Heightened Border Security Risks:** Political instability fuels cross-border terrorism, smuggling, and infiltration, especially across porous borders with Pakistan, Nepal, and Myanmar.
- **Diaspora and Humanitarian Concerns:** Violence in Bangladesh and Sri Lanka affects Indian-origin populations, requiring consular support and potential diplomatic interventions.
- **Economic Disruption:** Instability hampers regional economic integration initiatives such as BBIN, BIMSTEC, and connectivity corridors like the Kaladan project.
- **Strategic Dilemma:** Balancing relations between opposing power centers (e.g., Iran vs. Gulf, military vs. civilian forces in Pakistan) complicates India's foreign policy calibration.
- **Loss of Influence to China:** Beijing's deeper engagement through BRI, infrastructure loans, and political support in Sri Lanka, Maldives, and Nepal challenges India's traditional strategic space.
- **Refugee and Migration Pressures:** Political crises can result in large-scale displacement (e.g., Rohingya crisis, Sri Lankan Tamils), placing stress on India's internal resources and border states.

What India Should Do

- **Adopt a Proactive Neighbourhood Policy:** Engage with all regimes—democratic or

otherwise—through diplomacy, humanitarian aid, and development assistance.

- **Invest in Development Diplomacy:** Leverage India's strength in health, digital public infrastructure, and capacity-building to offer alternatives to Chinese investment.
- **Strengthen Multilateral and Sub-Regional Platforms:** Use BIMSTEC, BBIN, and IORA as platforms to promote regional stability, infrastructure, and economic cooperation.
- **Enhance Border Infrastructure and Monitoring:** Accelerate deployment of smart surveillance, fencing, and integrated check posts to manage migration and cross-border threats.
- **Support Democratic Resilience:** Without interfering, support electoral processes, institution-building, and civil society in neighbouring states through multilateral cooperation.

Keywords : Protectionism, Trade Weaponization, Rare Earth Elements, Climate Colonialism, Digital Sovereignty, Strategic Autonomy, Multilateralism, Supply Chain Resilience, Green Protectionism, Data Localization, Energy Security, Diaspora Diplomacy, Connectivity Corridors, Resource Nationalism, Geopolitical Realignment, Regional Instability, Strategic Partnerships, Technological Decoupling, Digital Regulation, Critical Mineral Security

Mains Practice Question :

Q1. Discuss how the protectionist trade policies of the United States affect India's export sector and its strategic autonomy. Suggest measures India can adopt to mitigate these impacts.

Q2. Discuss the implications of political instability in India's neighbourhood for its national security and regional influence.

Q3. "Green protectionism by developed countries is a modern form of trade barrier." Critically evaluate with reference to the EU's Carbon Border Adjustment Mechanism (CBAM).

Introduction

India is home to the world's largest diaspora, with over 35 million people of Indian origin residing abroad. They contribute immensely to India's economy through remittances and enhance India's global influence through cultural, professional, and diplomatic engagement.

Status :

- **Indian Diaspora Includes :**
 - **Non-Resident Indians (NRIs):** Indian citizens residing abroad for employment, education, or other purposes, holding Indian passports.
 - **Persons of Indian Origin (PIOs):** Foreign citizens who or whose ancestors were Indian nationals. *(Merged with OCI category in 2015).*
 - **Overseas Citizens of India (OCIs):** Foreign citizens of Indian origin registered under Section 7A of the Citizenship Act, 1955. They have limited rights such as lifelong visa and property ownership.
- **Current Status (as of January 2024)**
 - **Total Indian Diaspora:** 35.42 million
 - **NRIs:** 15.85 million
 - **PIOs/OCIs:** 19.57 million
 - **Major Host Countries:** United States, United Kingdom, Canada, Australia, Gulf nations (UAE, Saudi Arabia, Kuwait, Qatar), South-East Asia, and the Caribbean.

Significance of the Indian Diaspora

- **Economic Significance**
 - **Remittances:**
 - India received **\$125 billion in remittances in 2023**, the highest in the world, constituting a stable source of foreign exchange and reducing the current account deficit.
 - Particularly crucial for states like Kerala, Punjab, and Uttar Pradesh.
 - **Investment and Entrepreneurship:**
 - Diaspora-led investments in startups, real estate, and service sectors, especially from the US, UAE, and UK.
 - Contribution to **FDI inflows** and infrastructure development through NRI-specific investment schemes.
 - **Technology and Skill Transfers:**

- Indian-origin professionals in Silicon Valley, Europe, and the Gulf contribute to tech innovation and capacity building through **VAIBHAV, PRABHASS, and VAJRA** initiatives.

- **Strategic and Diplomatic Significance**

- **Soft Power and Influence:**
 - Prominent global leaders and influencers of Indian origin (e.g., Rishi Sunak in UK, Kamala Harris in the US) enhance India's global image and policy leverage.
- **Bilateral Relations:**
 - Diaspora acts as a **bridge in India's relations** with host countries.
 - Helps promote people-to-people ties and advance cooperation in trade, education, defense, and health.
- **Political Lobbying and Advocacy:**
 - Strong Indian communities influence legislation and policy in host countries.
 - E.g., Indo-American lobbies play a key role in shaping US-India strategic relations.
- **Socio-Cultural Significance**
 - **Cultural Ambassadors:**
 - Indian diaspora preserves and promotes Indian culture, yoga, festivals, languages, and traditions abroad.
 - Leads to global recognition of Indian soft power—e.g., **International Day of Yoga**.
 - **Global Perception Management:**
 - The diaspora counters anti-India narratives and misinformation in foreign media and academic spaces.
 - **Diaspora Philanthropy:**
 - Contributes to educational institutions, rural development, and social enterprises in India, especially during crises (e.g., COVID-19 pandemic).
- **Strategic Leverage in Multilateral Forums**
 - **South-South Cooperation:**
 - Indian diaspora in Africa and Southeast Asia strengthens India's engagement with the Global South through developmental partnerships.
 - **Support for National Goals:**
 - Mobilization of diaspora support for international goals such as **India's**

permanent seat in the UNSC, G20 initiatives, and global climate diplomacy.

to distressed Indians abroad, especially in ECR countries.

Key Issues associated with

- **Limited Voting Rights:** NRIs must be physically present to vote. Logistical challenges limit electoral participation.
- **Repatriation of Prisoners:** Despite multiple agreements, very few Indian prisoners are transferred from foreign jails due to procedural delays.
- **Employment Exploitation:** Increasing incidents of job fraud and bonded labor, especially in South-East Asia, often involving cybercrime rackets.
- **Reintegration of Returnees:** Over 5.95 lakh migrants returned to India (2019–2024) due to global economic slowdown and visa tightening. Absence of a national policy hampers reintegration.
- **Student Vulnerability:** 403 Indian students have died abroad since 2018, due to accidents, medical issues, or violence—highlighting the need for structured welfare measures.

Major Government Initiatives

- **Pravasi Bharatiya Bima Yojana (PBBY):** Insurance cover for Indian emigrants, providing up to ₹10 lakh in case of accidental death or disability.
- **Know India Programme (KIP):** Familiarizes diaspora youth (21–35 years) with India’s culture, economy, and polity through short-term visits.
- **Diaspora Engagement in Science & Technology:**
 - **VAJRA:** Visiting advanced faculty for short-term research.
 - **PRABHASS:** Scientific collaboration between overseas Indians and Indian institutions.
 - **VAIBHAV:** Global summit of Indian-origin scientists to boost R&D ties.
- **Pravasi Bharatiya Divas (PBD):** Celebrated on January 9 to honor the return of Mahatma Gandhi from South Africa and recognize diaspora contributions.
- **Indian Community Welfare Fund (ICWF):** Used by Indian embassies to provide on-site assistance

Way Forward: Committee Recommendations

- **Remote Voting for NRIs:** Implement Electronically Transmitted Postal Ballot System (ETPBS) to enable diaspora participation in Indian elections.
- **Strengthen Prisoner Repatriation:** Reform and simplify bilateral treaties for prisoner transfer, backed by stronger diplomatic engagement.
- **Curb Employment Fraud:** Ensure foreign recruiters are certified and maintain transparency on platforms like LinkedIn or official portals.
- **National Returnee Integration Policy:** Develop a centralized policy based on Kerala’s model, offering skill-building, credit support, and job linkages to returnees.
- **Student Welfare Framework:** Create a real-time student registry and provide country-specific helplines, legal aid, and embassy-level protection cells.
- **Enact Emigration Bill 2024:** Replace the outdated Emigration Act (1983) to address modern emigration challenges, including student mobility and digital labor migration.

Keywords : Diaspora Diplomacy, Remittances, Soft Power, Strategic Partnerships, Technology Transfer, Cultural Ambassadorship, Political Lobbying, Bilateral Engagement, Student Welfare, Employment Exploitation, Returnee Reintegration, Diaspora Philanthropy, Emigration Governance, Remote Voting, Global Indian Influence

Mains Practice Question :

Q1. Evaluate the role of the Indian diaspora in promoting India’s soft power. How can India better leverage this global community for its strategic objectives?

Q2. Despite being a vital national asset, the Indian diaspora faces several systemic challenges abroad. Examine these issues and suggest policy measures to address them.

In news :

Developed Countries

- **United States:** Recently, proposed US tariffs, including a 3.5% remittance tax, could cost India \$1.12B annually, impacting \$87B in remittances from the 4.4 million Indian diaspora. US demands for agricultural market access threaten India's farm sector, but diaspora leaders like Sundar Pichai bolster tech investments.
- **United Kingdom:** Recently, UK's post-Brexit immigration policies tightened visa rules, affecting the 1.5 million Indian diaspora's mobility. However, UK's focus on India as a trade partner supports diaspora-driven investments in tech and finance, enhancing India's economic interests..
- **Australia:** Recently, Australia's skilled migration reforms prioritized Indian professionals, boosting the 800,000-strong Indian diaspora's contributions to India's \$5B bilateral trade. However, Australia's alignment with US-led security policies pressures India's non-aligned stance.

Developing Countries

- **Bangladesh:** Recently, Bangladesh's alignment with China and Pakistan post-Sheikh Hasina's ousting strained India-Bangladesh ties, affecting India's \$14B trade interests. The 10,000-strong Indian diaspora faces risks amid rising anti-India sentiment.
- **Pakistan:** Recently, Pakistan's continued support for cross-border terrorism led India to suspend the Indus Waters Treaty, impacting regional stability. The 1.2 million Pakistani diaspora's anti-India advocacy in the West challenges India's global image.

Indian Diaspora's Role

- **Economic Impact:** Recently, the 18 million-

strong Indian diaspora sent \$87B in remittances (2021), vital for India's economy. US and Gulf countries' restrictive policies threaten this, while diaspora entrepreneurs drive FDI in India's tech sector.

- **Political Influence:** Recently, diaspora figures like Kamala Harris (US) and Priti Patel (UK) shaped pro-India policies, but anti-India campaigns in Canada and the US (e.g., Khalistan) strain India's diplomatic efforts.
- **Cultural Diplomacy:** Recently, diaspora-led initiatives like Pravasi Bharatiya Divas 2025 strengthened India's soft power, countering negative narratives in developed nations and promoting India as a global tech hub.

Acronym

IMPACT (*How Global Politics Affect India's Interests*)

- **I** – Immigration & Visa Policies
- **M** – Market Access and Trade Barriers
- **P** – Political Alignments and Alliances (e.g., QUAD, SCO)
- **A** – Aid and Sanctions Regimes
- **C** – Climate Obligations and Technology Transfer
- **T** – Terrorism and Security Cooperation

VISION (*India's Strategic Response to Global Dynamics*)

- **V** – Voice for Global South
- **I** – Investment in Strategic Partnerships
- **S** – Soft Power Diplomacy
- **I** – Institutional Reform Advocacy (e.g., UN, WTO)
- **O** – Outreach to Regional Blocs (e.g., EU, ASEAN, AU)
- **N** – Navigating Geopolitical Pressures

DIASPORA (Framework for Engaging the Indian Diaspora)

- **D** – Diplomatic Leverage
- **I** – Investment Facilitation (FDI, startups, remittances)
- **A** – Academic & Skill Exchanges
- **S** – Social & Cultural Bridge
- **P** – Protection of Rights Abroad
- **O** – Outreach via Missions
- **R** – Remittance and Economic Contribution
- **A** – Advocacy in Host Country Politics

REACT (India's Tools to Handle External Policy Shifts)

- **R** – Regional Balancing
- **E** – Economic Diplomacy
- **A** – Alliances and Strategic Partnerships
- **C** – Crisis Management (e.g., evacuations, sanctions)
- **T** – Technology Collaboration

Ready-made templates

(Following general template can be used as reference to deal with questions related to the regional/global groupings)

<p>Importance/ Significance of the Groupings</p>	<p>Strategic</p>	<ul style="list-style-type: none"> • Neighbourhood First Policy • Act East Policy • Countering China • Defence Cooperation • Nuclear Cooperation • Counter Terrorism • Regional Security • Maritime Security
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	<p>Economic</p>	<ul style="list-style-type: none"> • Energy Cooperation • Diaspora • Trading bloc • Transport Corridor • FDI • Supply Chain Initiative • Currency Swap • Line of Credit
<p>Issues in the Groupings</p>	<p>Political</p>	<ul style="list-style-type: none"> • Different strategic interests • Political Ideology • Power Politics • Different perceptions on the Indo-Pacific, Quad, China, etc. • Role of India-Pakistan relations as a matter of concern
	<p>Economic</p>	<ul style="list-style-type: none"> • Stalled flagship projects • Contrary views on cross border data flow • Dependency on China • Response to US sanctions • Low level of trade • Issues in signing FTAs

	Others	<ul style="list-style-type: none"> • Illegal migration • Issues in technology transfer • Civil wars • Different views on climate change
Way Forward	Political	<ul style="list-style-type: none"> • Policy on common political interests • Strategic autonomy • Use of platform to solve bilateral issues • Security cooperation • Intolerance towards terrorism • Equality and mutual benefit
	Economic	<ul style="list-style-type: none"> • FTAs • Increase investment and trade volume • Public Private Partnerships • Green energy partnership • Welfare of Diaspora • Promoting tourism

	Others	<ul style="list-style-type: none"> • Connectivity, Contacts, Commerce, Culture • Technology cooperation • Cooperation in disaster management • Community oriented initiatives
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Navigating the Syllabus: What You Need to Know

Important International Institutions, agencies and fora their Structure, Mandate.

- UN
- WTO
- IMF
- WHO

UPSC Previous Year Questions

Question	Nature of Question	Core Demand
'Terrorism has become a significant threat to global peace and security.' Evaluate the effectiveness of the United Nations Security Council's Counter Terrorism Committee (CTC) and its associated bodies. (2024)	Global Security + Institutional Evaluation	Evaluate the effectiveness of UNSC-CTC in countering terrorism.
"Sea is an important Component of the Cosmos". Discuss in the light of the above statement the role of the IMO in protecting environment and enhancing maritime safety and security. (2023)	Maritime Governance + Environmental Security	Discuss IMO's role in maritime environment protection and safety.
Critically examine the role of WHO in providing global health security during the Covid-19 pandemic. (2020)	Global Health + Critical Evaluation	Critically examine WHO's role during Covid-19 pandemic.
'Too little cash, too much politics, leaves UNESCO fighting for life.' Discuss in the light of US withdrawal and accusations of anti-Israel bias. (2019)	Controversy + Institutional Analysis	Discuss funding and political challenges faced by UNESCO.
What are the key areas of reform if the WTO has to survive in the present context of 'Trade War', especially keeping in mind the interest of India? (2018)	Global Trade + Reform	Identify WTO reform areas relevant to India amid trade war.
What are the main functions of ECOSOC? Explain different functional commissions attached to it. (2017)	Structural + Descriptive	State ECOSOC functions and list its functional commissions.
The broader aims and objectives of WTO are to manage and promote international trade... but the Doha Round seems doomed. Discuss in Indian perspective. (2016)	Global Trade + Indian Perspective	Discuss WTO's aims and Doha Round's failure from India's view.
What are the aims and objectives of the McBride Commission of UNESCO? What is India's position on these? (2016)	UNESCO + Normative	State McBride Commission's aims and India's position.

Discuss the impediments India is facing in its pursuit of a permanent seat in UNSC. (2015)	Global Governance + Indian Aspirations	Discuss challenges India faces for UNSC permanent membership.
What is the mandate of WTO and how binding are its decisions? Critically analyse India's stand on food security talks. (2014)	Trade + Critical Policy	Explain WTO's mandate and India's stand on food security.
Elucidate how the World Bank and IMF differ in role, functions and mandate. (2013)	Bretton Woods Institutions + Comparison	Explain differences in role, mandate and functions of IMF and World Bank.

Introduction

International institutions shape global governance through cooperation on peace, development, and trade. For India, active participation in bodies like the UN, WTO, and WHO is crucial to protect its interests and push for reforms that reflect the aspirations of the Global South.

United Nations (UN)

Background and Origin

- Established on **24 October 1945**, in the aftermath of World War II, with the primary objective to **maintain international peace and security**.
- It replaced the defunct **League of Nations** and currently has **193 member states**.
- The UN Charter is the founding treaty of the organization, and all members are bound by its principles.

Mandate and Objectives of the UN

- **Maintain International Peace and Security:** The UN seeks to prevent conflict through diplomacy, peacekeeping operations, sanctions, and mediation to ensure collective security and global stability.
- **Promote and Protect Human Rights:** Upholding the Universal Declaration of Human Rights, the UN monitors violations and promotes civil, political, economic, social, and cultural rights worldwide.
- **Foster Sustainable Development:** Through the Sustainable Development Goals (SDGs), the UN promotes inclusive growth, environmental protection, and poverty eradication, especially in developing countries.
- **Deliver Humanitarian Assistance:** The UN coordinates emergency aid during conflicts and disasters via agencies like UNHCR, WFP, and UNICEF to protect vulnerable populations.
- **Uphold International Law:** The UN develops international legal frameworks and settles inter-state disputes through the International Court of Justice and other legal mechanisms.
- **Promote Friendly Relations Among Nations:** It encourages cooperation based on sovereign equality, mutual respect, and peaceful resolution of disputes, fostering global diplomatic harmony.

- **Address Global Challenges Collectively:** The UN provides a multilateral platform to tackle global issues such as climate change, pandemics, terrorism, and cyber threats through coordinated international action.
- **Support Decolonization and Self-Determination :** Historically, the UN facilitated decolonization and continues to uphold the right of peoples to self-determination under its charter.

Principal Organs and Structure

- **General Assembly (UNGA):**
 - Comprises all 193 member states with **equal voting rights**.
 - Discusses global issues and approves budget and peacekeeping funding.
 - Resolutions are **non-binding but influential**.
- **Security Council (UNSC):**
 - Composed of 15 members: **5 permanent (P5)** with veto power (China, France, Russia, UK, US) and 10 non-permanent members elected for 2-year terms.
 - Responsible for international peace and security.
 - Its decisions are **legally binding**.
- **Economic and Social Council (ECOSOC):**
 - Coordinates economic, social, and environmental activities.
 - Supervises specialized agencies like WHO, UNESCO, ILO, etc.
- **International Court of Justice (ICJ):**
 - Principal judicial organ, based in The Hague.
 - Settles disputes between states and gives advisory opinions.
- **Secretariat:**
 - Administrative body headed by the **UN Secretary-General**.
 - Current Secretary-General: **António Guterres** (Portugal).
- **Trusteeship Council:**
 - Inactive since 1994 after Palau (last trust territory) gained independence.

India and the UN

- **Founding member** of the UN and a **consistent contributor to peacekeeping missions**.

- Advocates for **multilateralism, equity, and Global South representation.**
- Actively participates in the UN Sustainable Development Agenda (Agenda 2030).
- India has served multiple terms as a **non-permanent UNSC member** (most recently in 2021–22).
- **Reform Proposals and India's Stand**
 - India, along with Brazil, Germany, and Japan (G4), advocates **expansion of UNSC permanent membership.**
 - India calls for **greater representation of developing countries**, especially from Africa and Asia.
 - Supports streamlining the functioning of UN bodies, **democratization of decision-making**, and **rationalization of veto power.**

Key Challenges and Criticisms of the United Nations

- **Unrepresentative Security Council:** The UNSC's permanent membership reflects post-WWII geopolitics, not current global realities. Major regions like Africa, Latin America, and large democracies like India have no permanent voice, undermining its legitimacy.
- **Veto Power Paralysis:** The veto held by P5 members often leads to inaction during humanitarian crises and conflicts (e.g., Syria, Ukraine, Gaza), making the Council ineffective in maintaining peace and security.
- **Bureaucratic Inefficiency:** The UN system is criticized for slow decision-making, overlapping mandates across agencies, and administrative delays, leading to poor implementation and waste of resources.
- **Politicization of Human Rights:** The UN Human Rights Council is often accused of selective criticism, overlooking violations by powerful states while disproportionately focusing on politically weaker nations.
- **Inadequate Funding and Resource Dependence:** The UN relies heavily on voluntary contributions from member states, particularly developed countries, which can influence its agenda and restrict impartial functioning.
- **Limited Enforcement Mechanisms:** The UN lacks coercive power to enforce its resolutions. In

many cases, member states ignore international law or UN mandates without facing tangible consequences.

- **Peacekeeping Limitations:** UN peacekeeping operations are often under-resourced, poorly equipped, and operate under ambiguous mandates, limiting their ability to protect civilians and enforce peace.
- **Lack of Coordination Among Agencies:** Multiple UN bodies (e.g., UNDP, UNEP, WHO) sometimes operate in silos, resulting in duplication of efforts, poor synergy, and inefficient use of funds.
- **North-South Divide:** Developing countries often feel marginalized in global agenda-setting, especially on issues like climate justice, trade reform, and vaccine equity.
- **Cybersecurity and Emerging Technologies:** The UN has struggled to develop binding norms around the governance of digital spaces, artificial intelligence, and cyber warfare, leaving critical gaps in global regulation.
- **Underrepresentation of the Global South:** Although the Global South constitutes the majority of the UN General Assembly, their influence on global decision-making remains limited due to imbalances in institutional power.
- **Credibility Crisis in Conflict Resolution:** Intractable conflicts like those in Palestine, Yemen, and Myanmar raise questions about the UN's effectiveness in crisis mediation and conflict resolution.

World Trade Organization (WTO)

Background

- The WTO was established on **1 January 1995**, succeeding the **General Agreement on Tariffs and Trade (GATT)** (1947).
- It is headquartered in **Geneva, Switzerland** and currently has **164 member countries**, covering **over 98% of global trade.**

Mandate and Objectives

- **Facilitate Free and Fair Trade:** To promote rules-based, predictable, and transparent international trade.

- **Reduce Trade Barriers:** Encourage negotiations to lower tariffs and non-tariff barriers through multilateral agreements.
- **Settle Trade Disputes:** Provide a legal and institutional framework for the resolution of disputes between members.
- **Monitor Trade Policies:** Conduct reviews of national trade policies and ensure compliance with WTO agreements.
- **Promote Development:** Support developing and least-developed countries in integrating into the global trading system.

Structure

- **Ministerial Conference:**
 - Highest decision-making body, meets every two years.
 - Sets the broad agenda and approves major policy changes.
- **General Council:**
 - Oversees day-to-day operations; acts as the Dispute Settlement Body (DSB) and Trade Policy Review Body (TPRB).
- **Dispute Settlement Body (DSB):**
 - Adjudicates trade disputes and authorizes countermeasures if rulings are not implemented.
- **Secretariat:**
 - Led by the **Director-General** (currently **Ngozi Okonjo-Iweala**), it provides technical and legal support to WTO bodies.
- **Council for Trade in Goods, Services, and TRIPS:**
 - Administers various agreements like GATT, GATS, and TRIPS.

India and the WTO

- **Founding member** and active participant in all major negotiations including **Doha Development Round**.
- Advocates for **Special and Differential Treatment (S&DT)** for developing countries.
- Opposes permanent solution on **public stockholding for food security** being blocked by developed countries.
- Has challenged the **US and EU** on issues like steel tariffs, subsidies, and TRIPS-related flexibilities for pharmaceuticals.

India's Concerns and Stand

- **Food Security:** India insists on a permanent solution for public stockholding under the Peace Clause.
- **E-Commerce and Data:** India is cautious about binding rules on cross-border data flow that may affect digital sovereignty.
- **Fisheries Subsidies:** India seeks flexibilities for small-scale and traditional fishers in any WTO agreement.

Key Achievements

- **Trade Facilitation Agreement (TFA) (2017):** Simplifies customs procedures, reduces trade costs—India ratified it and implemented the National Trade Facilitation Action Plan.
- **Dispute Resolution Success:** India won several disputes including those related to **US solar panel tariffs** and **EU shrimp import duties**.

Key Challenges and Criticisms

- **Dispute Settlement Crisis:** The **Appellate Body** is non-functional since 2019 due to the US blocking judicial appointments, paralyzing enforcement.
- **Deadlock in Negotiations:** The **Doha Development Round** remains stalled; developed nations are reluctant to discuss development issues.
- **Imbalance in Rule-making:** Proposals like e-commerce regulation and investment facilitation are pushed by developed countries, while core development issues are sidelined.
- **Limited Progress on Agricultural Reform:** Rich countries continue high farm subsidies while denying policy space to developing countries under **Agreement on Agriculture (AoA)**.
- **Marginalization of Developing Nations:** Rising influence of plurilateral negotiations (e.g., Joint Statement Initiatives) bypasses consensus-based decision-making.

International Monetary Fund (IMF)

Background

- Established in **1944** at the **Bretton Woods Conference** (alongside the World Bank) and formally began operations in **1945**.

- Headquartered in **Washington D.C., USA**, the IMF currently has **190 member countries**.
- Founded to promote **global monetary cooperation**, ensure **exchange rate stability**, and support **balanced growth of international trade**.

Mandate and Objectives

- **Ensure Global Financial Stability:** Monitor global economic trends and prevent balance of payments crises and financial contagion.
- **Facilitate International Trade:** Enable smooth flow of goods and services by maintaining currency stability and liquidity.
- **Promote Exchange Rate Stability:** Provide a forum for member countries to discuss exchange rate policies and avoid competitive devaluations.
- **Lend Financial Assistance:** Offer short- to medium-term loans to countries facing balance of payment deficits (e.g., IMF Stand-by Arrangements, Extended Fund Facility).
- **Capacity Development and Technical Assistance:**
Support countries in tax reform, monetary policy, banking supervision, and statistics through expert training and advice.
- **Economic Surveillance:** Conduct Article IV consultations with member countries and publish reports like the **World Economic Outlook (WEO)** and **Global Financial Stability Report (GFSR)**.

Structure

- **Board of Governors:** Highest decision-making body. Each member is represented by a governor (usually Finance Minister or Central Bank Governor).
- **Executive Board:** 24 Executive Directors represent individual countries or groups (India is part of a constituency with Bangladesh, Sri Lanka, and Bhutan).
- **Managing Director:** Chief of IMF staff and chair of Executive Board. Current MD (2025): **Kristalina Georgieva**.
- **Quota System:** Members' voting power and access to IMF resources are determined by their **quotas**, based on GDP, reserves, trade openness, and variability.

India and the IMF

- Founding member of the IMF; currently holds **2.75% voting power** (2025), ranking 13th in quota shares.
- India has never taken an IMF loan since 1993 (post-BoP crisis), but engages actively in policy dialogue and governance reform.
- Participates in **IMF Surveillance**, receives technical assistance, and contributes to global policy coordination on financial stability, debt management, and digital finance.
- **India's Concerns and Position**
 - Seeks **reform of quota system** to reflect the economic weight of emerging markets.
 - Advocates greater say in IMF governance and more balanced conditionalities that consider local socio-economic contexts.
 - Supports **multilateral debt relief initiatives** and flexible lending frameworks for vulnerable economies.
 - Emphasizes **climate finance and digital inclusion** in IMF surveillance and research agendas.

Key Criticisms and Challenges

- **Quota and Governance Imbalance:** The IMF's decision-making is skewed in favor of developed nations. The **US alone holds over 16% voting power**, effectively giving it veto rights.
- **Slow Reform Implementation:** The 15th General Review of Quotas (concluded in 2019) did not change quota shares, disappointing emerging economies like India and Brazil.
- **Conditional Lending Criticism:** IMF loan programs are often accused of imposing harsh austerity conditions (e.g., in Argentina, Pakistan, Sri Lanka), which worsen social outcomes.
- **Lack of Inclusive Crisis Response:** During COVID-19, the IMF's assistance was criticized for being too small and delayed, especially for Low-Income Countries.
- **Western Dominance:** Top leadership positions, including the Managing Director, have traditionally gone to Europeans, limiting representation from the Global South.
- **Neglect of Developmental Needs:** IMF often prioritizes macroeconomic stabilization over

employment, inequality, or long-term development.

World Bank Group (WBG)

Background

- Established in **1944** at the **Bretton Woods Conference**, alongside the IMF.
- Headquartered in **Washington D.C.**, the World Bank Group aims to reduce global poverty and promote sustainable development.
- Comprises **five distinct institutions**, collectively called the **World Bank Group**.

Structure: The Five Institutions

- **International Bank for Reconstruction and Development (IBRD)** : Lends to middle-income and credit-worthy low-income countries at near-market interest rates for infrastructure, health, and education projects.
- **International Development Association (IDA)** : Provides **concessional loans and grants** to the poorest countries. Funded by donor countries, including India.
- **International Finance Corporation (IFC)** : Supports the **private sector** through loans, equity investments, and advisory services in developing countries.
- **Multilateral Investment Guarantee Agency (MIGA)** : Offers **political risk insurance** and credit enhancement to investors and lenders, encouraging foreign direct investment in unstable regions.
- **International Centre for Settlement of Investment Disputes (ICSID)** : Provides arbitration for disputes between governments and foreign investors. (*India is not a member.*)

Mandate and Objectives

- **Poverty Reduction**: Eliminate extreme poverty and promote shared prosperity in all developing countries.
- **Financing Development**: Mobilize financial resources for critical development sectors like infrastructure, health, education, and climate adaptation.
- **Capacity Building**: Provide policy advice, research, and technical assistance for

institutional strengthening and governance reform.

- **Promote Private Sector Development**: Help create investment-friendly environments through IFC and MIGA instruments.
- **Support Crisis Response**: Assist member countries during emergencies—e.g., COVID-19 relief, climate disasters, post-conflict reconstruction.

India and the World Bank Group

- **Founding member** of IBRD and IDA, and one of the largest borrowers historically.
- Currently among the top borrowers for projects in urban development, health, transport, renewable energy, and water management.
- Hosts the **India Country Partnership Framework (CPF)** which aligns World Bank lending with India's development priorities (e.g., inclusive growth, climate resilience, human capital).
- India also contributes to IDA as a donor and receives concessional aid for targeted regions like the Northeast.
- **India's Position on Reforms**
 - Advocates for a **greater role for Global South** in governance and decision-making structures.
 - Supports flexible lending frameworks without rigid conditions.
 - Demands more **locally tailored project design**, particularly for tribal and climate-vulnerable areas.
 - Calls for **equitable climate finance** and **technology transfers** through multilateral channels.

Key Projects in India

- SWACHH Bharat Mission (Gramin)
- Rejuvenation of Ganga River (Namami Gange)
- PM e-Vidya and school education reform project
- Green Energy Corridors
- National Rural Economic Transformation Project (NRETP)

Key Challenges and Criticisms

- **Governance and Voting Power Imbalance** : Like the IMF, the World Bank is dominated by developed countries. The US holds veto power

(approx. 16% voting share), while emerging economies like India have limited influence.

- **Conditional Lending** : Loans often come with structural reform conditions that may conflict with local socio-economic contexts, leading to political backlash.
- **Environmental and Social Impacts** : Bank-financed infrastructure projects have been criticized for environmental degradation and displacement of local communities.
- **Slow Disbursement and Bureaucracy** : World Bank procedures can be slow, delaying project implementation and affecting development outcomes.
- **Underutilization of Private Sector Potential** : Although IFC and MIGA exist, critics say the WBG could better mobilize private capital, especially for green and digital transitions.

World Health Organization (WHO)

Background

- The WHO is a **specialized agency of the United Nations**, established on **7 April 1948**.
- Headquartered in **Geneva, Switzerland**, it has **194 member states**.
- It serves as the **directing and coordinating authority** on international health within the UN system.

Mandate and Objectives

- **Promote Universal Health Coverage (UHC)**: Strengthen health systems globally to ensure access to quality and affordable healthcare for all.
- **Monitor and Respond to Health Emergencies**: Lead international responses to epidemics, pandemics, and health disasters (e.g., COVID-19, Ebola).
- **Set Global Health Standards**: Develop norms, guidelines, and classifications (e.g., ICD codes, Essential Medicines List).
- **Coordinate International Health Cooperation**: Facilitate knowledge sharing, capacity building, and technical support among countries.
- **Promote Health Equity and Determinants of Health**: Address social determinants like nutrition, sanitation, mental health, and environmental health.

- **Research and Innovation**: Promote and fund R&D in vaccines, disease control, public health policy, and antimicrobial resistance.

Structure

- **World Health Assembly (WHA)**:
 - Supreme decision-making body with representatives from all member states.
 - Approves budget, elects Director-General, and sets policy direction.
- **Executive Board**:
 - Composed of 34 technically qualified members elected for three-year terms.
 - Implements the decisions and policies of the WHA.
- **Secretariat**:
 - Headed by the **Director-General** (currently **Dr. Tedros Adhanom Ghebreyesus**), supported by global staff and regional offices.
- **Regional Offices**:
 - Six offices (e.g., South-East Asia in New Delhi) tailor global initiatives to regional health contexts.

India and the WHO

- India is a **founding member** and an active participant in the WHO's governance and field-level programs.
- Hosts the **South-East Asia Regional Office (SEARO)** in New Delhi.
- Major partner in **polio eradication, tuberculosis control, universal immunization, and COVID-19 vaccine delivery** through COVAX.
- WHO has supported India in **digital health, Ayushman Bharat, sanitation (Swachh Bharat), and mental health** programs.

Key Initiatives and Contributions

- **International Health Regulations (IHR 2005)**: Legal framework binding member states to report and manage public health emergencies of international concern.
- **Global Health Observatory**: Tracks key health indicators, including maternal mortality, life expectancy, and disease burdens.

- **Essential Medicines List (EML):** Guides procurement and usage of life-saving medicines across member countries.
- **COVAX Facility (with Gavi and CEPI):** Aimed to ensure equitable global distribution of COVID-19 vaccines.
- **Global Strategy on Antimicrobial Resistance:** Promotes rational use of antibiotics and containment of superbugs.

Keywords : Global Governance, Institutional Reform, Veto Power, Sustainable Development Goals, Peacekeeping, Digital Sovereignty, Food Security, Trade Facilitation, Dispute Settlement, Quota Reform, Financial Stability, Development Finance, Health Equity, Pandemic Preparedness, Global South Representation, Conditional Lending, Technical Assistance, Humanitarian Assistance, Climate Finance.

Key Challenges and Criticisms

- **Limited Enforcement Powers:** WHO relies on member state cooperation and cannot impose sanctions or compel compliance.
- **Funding Dependence :** About 80% of WHO's budget comes from **voluntary contributions**, often earmarked by donors, leading to skewed priorities.
- **COVID-19 Criticism:** Accused of **delayed response** and **excessive reliance on China** during the early stages of the pandemic.
- **Bureaucratic Inefficiencies:** Delays in response, lack of coordination among regional offices, and inadequate ground-level engagement.
- **North-South Divide:** Developing countries often feel underrepresented in WHO's agenda-setting and access to research, data, and funding.
- **Underprepared for Emerging Health Threats:** WHO has been slow in formulating policies on digital health surveillance, AI in healthcare, and mental health crises.

Mains Practice Question :

Q1.Critically evaluate the role of the United Nations in maintaining international peace and security. What reforms are necessary to make it more representative and effective?

Q2.Discuss the relevance of multilateralism in today's geopolitical environment. How can India leverage international institutions to further its national interest?

India's Position and Suggestions

- Calls for **WHO reforms**, particularly:
 - Greater **transparency** in decision-making.
 - **Inclusive governance** reflecting the Global South.
 - Strengthened **financial autonomy** through increased core funding.
- Supports creation of a **Global Pandemic Treaty** to ensure equity, preparedness, and accountability.
- Advocates for leveraging WHO to promote **digital health infrastructure, Ayush-based interventions,** and **local vaccine manufacturing** capacity.

In news :

- **World Trade Organization (WTO):** Recently, India filed a complaint against US tariffs on May 15, 2025, proposing \$7.6B retaliatory duties to protect its \$100B export market, backed by diaspora in the EU.
- **International Monetary Fund (IMF):** Recently, India opposed a \$2.4B bailout for Pakistan on May 9, 2025, citing terrorism funding risks, with diaspora lobbying in Washington.
- **World Health Organization (WHO):** Recently, WHO's May 2025 assembly approved a \$4.2B budget for 2026-27, with India pushing equitable mpox vaccine access, supported by its 1.9 million ASEAN diaspora.
- **World Bank:** Recently, on May 8, 2025, World Bank President Ajay Banga backed India's Indus Waters Treaty suspension, aligning with its anti-terrorism stance. India plans to challenge a \$20B Pakistan aid package in June 2025.

Acronym

GLOBAL (Understanding Role of Key Institutions)

- **G** – Governance (UN, IMF, World Bank)
- **L** – Legal Frameworks (ICJ, WTO Dispute Settlement)
- **O** – Organizational Structures (e.g., UN's six organs, IMF Board)
- **B** – Bretton Woods Institutions (IMF, World Bank)
- **A** – Agenda Setting (G20, COP, WEF)
- **L** – Leadership and Reform (India's role and advocacy)

FORUM (Functions and Outcomes of International Fora)

- **F** – Facilitate Dialogue and Negotiation
- **O** – Oversee Compliance (e.g., WHO, IAEA)
- **R** – Resource Distribution (e.g., IDA, GEF)
- **U** – Uphold Peace and Security (UNSC, ICJ)
- **M** – Monitor Global Standards (e.g., WTO, FATF)

UNITE (UN System – Structure & Roles)

- **U** – UNSC (Security)
- **N** – UNGA (Deliberation)
- **I** – ICJ (Judicial Dispute Resolution)
- **T** – Trusteeship & ECOSOC (Development & Social Coordination)
- **E** – Executive (Secretariat – led by UN Secretary-General)

POWER (India's Interests in Global Institutions)

- **P** – Permanent Membership in UNSC
- **O** – Opportunities for Aid and Investment
- **W** – WTO Reforms for Fair Trade
- **E** – Equitable Climate Finance
- **R** – Representation of Global South

REFORM (Need for Changes in Global Institutions)

- **R** – Representation (UNSC expansion)
- **E** – Equity in Decision-Making (IMF quotas, WTO votes)
- **F** – Fair Trade and Development Agenda
- **O** – Openness and Accountability
- **R** – Relevance in Modern Geopolitics
- **M** – Multilateralism over Unilateralism

Ready-made templates

Introduction & Conclusion

United Nations (UN)

- *"The UN was not created to create heaven on this earth, but to prevent it from becoming hell."*
- No other body invokes as many dreams yet so many frustrations like the UN.
- Ban Ki Moon (former Secretary-General of the UN): *"We need more UN than less UN because global threats have gone beyond the capacity of a single nation."*

United Nations Security Council (UNSC)

- The UNSC, established in 1945, stands as a cornerstone of international peace and security. It plays a pivotal role in addressing global conflicts, promoting diplomacy, and authorizing measures ranging from sanctions to military interventions.
- Considering the importance of UNSC and issues revolving around veto powers, there is a

need for urgent reforms. By increasing representation and rationalizing veto powers, UNSC can address contemporary world realities more effectively.

United Nations Educational, Scientific and Cultural Organization (UNESCO)

- UNESCO stands as a cornerstone in fostering global collaboration to address shared challenges in the realms of education, science, culture, and communication.
- Through UNESCO's endeavors, nations can build bridges of understanding, celebrate diversity, and collectively strive for a world where knowledge, culture, and scientific advancements are shared and cherished for the benefit of all.

United Nations Economic and Social Council (ECOSOC)

- Established in 1945, ECOSOC plays a central role in promoting international economic and social cooperation and development.
- With a mandate encompassing a wide range of global issues, from poverty eradication to sustainable development, ECOSOC serves as a forum for dialogue, policy coordination, and the formulation of recommendations to address the multifaceted challenges facing our interconnected world.

World Bank

- The World Bank plays a pivotal role in shaping the trajectory of global development. By providing financial resources, technical expertise, and policy guidance, it empowers nations to address pressing challenges and build resilient economies.
- However, challenges persist, including the need for continuous adaptation to evolving global dynamics and addressing criticisms related to conditionalities and project effectiveness. Despite these challenges, the World Bank remains committed to fostering inclusive and sustainable development.

International Monetary Fund (IMF)

- Established in 1944, the IMF aims to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world.
- While the IMF serves as a valuable resource, its involvement in developing nations has been subject to both praise and criticism. Understanding the dynamics of this relationship is crucial for evaluating the impact of the IMF on the economic development of these countries.

World Health Organization (WHO)

- In the context of developing countries, the WHO serves as a linchpin for collaborative efforts, providing technical assistance, guidance, and facilitating partnerships to improve health outcomes in resource-constrained settings.
- Health emergencies and public health threats have become a global challenge requiring a coordinated and prompt global response. In that context, WHO plays a crucial role in ensuring global health governance.

World Trade Organization (WTO)

- The WTO is the only global organization that deals with the rules of trade between nations. At its heart are the WTO agreements to ensure that trade flows smoothly, predictably, and freely as possible.
- The WTO's impact on developing countries is multifaceted. While it provides a platform for these nations to participate in global trade and benefit from a rules-based system, challenges persist. Addressing these challenges is necessary to ensure equitable trade benefits.



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