

**Indo-Russian Relations and
The Emerging International Power Structure**

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India and Russia (the erstwhile Soviet Union) have maintained an ideal cooperative relationship since the 1950s. During the last 50 years, through economic and technological collaboration, exchange of ideas and institutions, and profound cultural interactions, this relationship has deepened and stood the test of time and history. The depth of the relationship can be judged from the unqualified and unstinted support of the former Soviet Union (now Russia) to India whenever the latter's national security was under threat. In fact, the cordial relations between India and Russia not only continued beyond the exacting period of cold war. After a brief interlude, in early 1990s when it seemed apparently that the relationship was losing momentum in the wake of the fall of communism, the Indo-Russian retrieved the original direction they had lost, in spite of their bonhomie towards the USA.

The relationship between India and Russia goes much beyond the sphere of mere bilateral relations. The partnership assumes special significance because it is based not simply on mutual economic, cultural and political interactions but it is a reflection of mutual perception of international power structure and the existing balance of power. It seeks to create its own niche in that structure and works to face the threat and opportunities provided by that structure cohesively. This in turn makes it imperative for any discussion on Indo-Russian relation to locate it against the backdrop of the emerging global and regional politics.

The paper begins by describing the unfolding of international power structure that has a profound impact on the foreign policy of both India and Russia. Then it turns to the new approaches to the foreign policy of India. It is followed by the discussions on the imperatives of strategic partnership that incorporates significant bilateral agreements. Finally, it ends with a note of optimism presuming that mutual interests of the two countries, at short and medium term, are identical enough to overcome any spasmodic aberrations, and the prospects are immense for a wide interaction in the future.

I

The USA and its allies in West dominate the international system as it obtains today. After the disintegration of the USSR the international power structure has undergone decisive change: some say it has become unipolar while to others it appears to be multipolar.[1] The fact remains, however, that the contours of the emerging power structure is yet to crystallise and in the meanwhile, the US will dominate the for some time to come because it combines military, economic and cultural power. The international system appears to be multipolar to some because

European Union and Japan have economies comparable to the USA and their economies interests at many points intersect with those of the USA. Moreover, China is growing militarily as well as economically; Russia, though economically weak, continues to hold nuclear arsenals comparable to the USA. The world is thus “militarily unipolar but technologically and economically multipolar”. Many of the scholars of India and Russia share this perception and consider unipolar world as a threat to just, equitable and peaceful world—and in real terms to their own respective national security.

The US thus dominates the international system through what has been called “the new institutionalism”[2]. The UN has been completely marginalised by the US and its allies. The US puts in inexorable pressure on the developing countries through the UN, the World Bank and the IMF. A variety of US- brokered and US led regimes are affecting the foreign policy autonomy [3]. The integration of the economies of India and Russia to the economy of laissez faire and liberalisation that is emerging as the undisputed model at the international sphere, has been a rather reluctant affair. Both the countries remain suspicious of the process of globalisation and tread very cautiously in this direction. Many of the problems arising out of the above process in their respective societies are similar in nature. Hence, there is a convergence of views by Indians and Russians on this count.

For weak countries, unipolarity represents the virtual diminution of the foreign policy choices. Loss of autonomy and capitulation is the reality in a unipolar setting. A new unipolar world is no different from the bipolar one as regards the establishment of peaceful and equitable world. Instead, it gives unhindered power to the lone superpower to intervene into the affairs of weak nations without fear of retaliation— Iraq , Rawanda, Kosovo and now Afghanistan (2001-2002) bear testimony to this fact.

However, there has been a remarkable change in the issues, which dominated the international relations during the cold war period: colonialism and imperialism, the ideological struggle between the communist and non communist states, the economic issues affecting interactions between the industrially advanced countries and the poorer developing countries have been replaced by concerns about human rights, disarmament and arms control, good governance, management of global environment and the structuring of a globalised economic order ruled by free market economy principle.[4] This situation places USA at a vantage position.

Geopolitical and economic regionalism and regional groupings have replaced the old trans-regional and trans-continental organisations such as the Non-aligned Movement, the UNCTAD and the G-77, which represented the interest the developing countries. India “reshaped its ideological and operational terms of reference of its foreign policy from 1991 onwards. Such a change was necessary not only to adjust to the post–Cold war power equations and trends of economic globalisation but also to meet the challenges of economic deprivation, terrorism, mass migration and crime.[5] All these problems have international dimensions and have implications that permeate the boundaries of nation state.

The assumption that Cold war was the root cause of international conflict and once it was over a new international order based on equality, peace and development would automatically emerge has proved to be fallacious. The new international order only dislodged the existing balance of

power in favour of USA. New forms of ethnic, terrorist, secessionist and racial conflicts seem to have engulfed the world. As regards the role of India in the emerging international order it should be pointed out that instead of being in isolation “India is going to become increasingly engaged in the world and will make stronger claim to be one of the great states of the world, or at least the legitimate and acknowledged hegemon of South Asia”[6]. India’s nuclear test, disregarding the world opinion in 1998, is a pointer to this fact. Above argument is geared to drive home the idea that India is emerging as a major player in international politics and this will create a situation where India is in tandem with some players while at conflict with others. Thus, India will have to create its own alliances. In this context India-Russian relationship assumes enormous significance.

II

New Approaches to India’s Foreign Policy

Traditional approaches to India’s world-view fall into three broad categories: first and the most important perspective is that of Nehruvian internationalism. Nehru’s internationalism, a form of “left liberalism”, continues to colour India’s thinking about the nature of peace, war and International order even till today.[7] It presents a realist view of international politics and assigns the role of the universal organisations like UNO to manage and reduce the level of conflict and anarchy. The Nehruvian thinking viewed violence between states mainly as a product of power politics and regarded the imperialistic capitalistic ambition of West as the cause of conflict between states. Nehru was in favour of controlled opening of the economy under the strict guidance of state as unhindered market forces were considered to be a threat to social equity and democracy.

The second approach that remained dormant for decades but has found expression in the post cold war phase is that of the Hindu nationalists. This is realist and Indo-centric in nature. It considers the Hindu culture as the core-Indian culture and its concept of nation is based on cultural nationalism. It considers conflict as the cause of cultural differences. It posits militarised and nuclearised India as prerequisite to maintain the balance of power in Asia and to influence international politics. One common point that it shares with Nehruvian thought is that it also suspects unhindered role of market forces. But the reasons are different. It fears that the onslaught of western culture will eventually erode and corrupt the Hindutva culture and civilisation.

The third approach that has gained prominence in the post-1991 phase is the one that favours liberalisation, privatisation and globalisation of Indian market. The crisis of balance of payment and the consequent opening up of Indian economy in 1991 evinced that Indian foreign policy took a clear turn towards the West. By coincidence, the economic crisis in India began at a time when Russia was amidst deep political and economic turmoil. By compulsion India had no choice but to look towards the West for help. This opening up of Indian economy continues even under the BJP Government though some of its hardcore elements (like RSS, VHP) oppose the process of unhindered liberalisation and put emphasis on Swadeshi mode of development. India did try other alternatives—the most important being to improve its relations with the neighbours and South East Asian Countries. This should perhaps explain the reasons why Gujral doctrine assumed significance, which put emphasis on improving relations with immediate South Asian neighbours as well as with the South East Asia and Central Asian Countries in the immediate neighbourhood.

However, no pure Nehruvian, liberal or Hindu cultural chauvinist approach dictate the Indian foreign policy at the moment. Rather a complex mixture all three are discernible in India's foreign policy.

III

Imperatives of Strategic Partnership

Any understanding of India's attempt to build up a strategic partnership must minimally involve a set of issues: first, nature of the international power structure and the way the new relation is going to elevate the stature of countries involved, or positively balance the existing power structure; second, the nature of threats being faced by the parties involved in the strategic partnership; and third, the economic and technological leverages the partners aim to achieve bilaterally as well as globally. First two hypotheses have been delineated in the previous pages and now the discussion will focus mainly on bilateral agreements between the two countries in the post-1991 phase.

President Yeltsin's visit to India in 1993 marked the gradual restoration of relations between Russia and India. It, however, insinuated that the future of new relation would be pragmatic and de-ideologised. The approach was nothing new as Gorbachev in his policy of "New Thinking or Approach" has clearly indicated that pragmatism should take precedence over ideology in all its hues. The new approach put singular emphasis on economy— the basic objective being to attract much needed economic aid, assistance and advanced technology. Russia also decided to sell its military hardware to Pakistan. But Yeltsin's visit put such speculations at rest. During this visit the old Indo-Soviet Treaty of Peace Friendship and Cooperation of 1971 was replaced by a 14-clause treaty of Friendship. However, "conspicuously missing was the security clause that required the Soviet Union to come to India's aid in the event of a third countries going to war with it and vice versa"[8] However, the westward tilt of Russia's foreign policy did not last long. Two main reasons for this were; first, the expected economic assistance from West never materialised. The US reneged on its promise of providing \$30 billion loan to Russia. Secondly, the eastward expansion of NATO, which sought to include east European countries definitely alienated Russia with the West, made Russia wary.

In the post-1993 phase, Russia began to focus on its Asian partners, especially, India, China, Japan and other South East Asian countries. In this phase, the greatest achievement of Russia's foreign policy had been to resolve many of its disputes with China. In 1990s six summits took place between the two countries and Sino-Russian relationship was declared to be a "strategic partnership" aiming at future towards the 21st century. In 1996 many of the agreements were signed, which included machine building, space-research, transport technology and 3 billion-dollar agreement on a nuclear plant and uranium enriching facility in China. During the visit of Ziang Zemin (Chinese President) in 1997, both the countries declared a joint political declaration calling for a "multi-polar world and a new international order". Both China and Russia have successfully resolved many of the border disputes and a close defense tie has been established. In Sanghai Pact of 1996 the leaders of China, Kazakhstan , Tazikistan and Kyrgyzstan, with the support of Russia, signed a set of confidence building measures for resolving disputes related to common borders and regulating cross-border movements.

From the Chinese security perspective, the enhanced cooperation with Russia could be seen as an attempt to counter US's increased activity in Pacific. The Joint Japan-US Declaration on "Security Alliance" for the 21st century of 17 April 1996 expressed the desire to review the 1978 Defence Cooperation Guidelines with Japan which if done, would include the whole Pacific region. Again the prospects of revival of US's Taiwan Defence Agreement of 1978-79 which would ensure continued supply of weapons to Taiwan, antagonised China. There is a further talk of US providing Theatre Missile protection to Japan, Taiwan and South Korea. If this is done in near future it would destabilise the balance of power in the Pacific region— by containing China and making it impotent visa-a-vis above countries. It is against this unfolding of global and regional context that we should understand the continued upswing in Sino-Russian Relation.

Though improving relation between Russia and China might have caused a concern among Indian defense experts, especially, due to Chinese export of nuclear facilities and other weapons to Pakistan, it does not practically alter the prevailing balance of power in Asia. The above alliance is counter-balanced by the fact that Russia is equally disposed towards India. Vladimir Putin called India the "natural partner" of Russia. Moreover, the enhanced corporation between Russia and China instead of being observed as a threat to India's security should be seen as providing an opportunity towards building up a multipolar world. This will depend upon India's improved relation with China. India should not view China as a natural enemy while China needs to shed its fear of India being a competitor for leverages in the region of Asia.

IV

Bilateral Agreements:

Since Yeltsin's visit in 1993, there is a growing appreciation for common interests which are multifaceted in dimension. Both India and Russia are facing problems, which are identical in nature. The problem of secessionism is common to both the countries. Russia is facing this problem in Chechnya while India faces a similar problem in Kashmir. The Joint Indo-Russia Declaration issued in 1994 during the then Indian Prime Minister Mr. Narasimha Rao's visit to Moscow emphasised the protection of the interests of multinational states. Russia declared its support for India's stance on Kashmir.

The Joint Statement on Strategic Issues agreed by both the countries during the visit of Prime Minister, Mr. Atal Behari Vajpayee, to Moscow in November 2001 affirmed that violent actions being perpetrated under the slogan of self-determination are nothing but the acts of terrorism which is a major threat to international peace and security. The issue of terrorism assumed special significance in the Moscow in the context of terrorist attacks on World Trade Centre in New York on 11th September 2001. Both sides accorded highest priority to the continuation of effective interaction in Afghanistan in the framework of Indo-Russian Joint Working Group on Afghanistan established between the two countries in October 2000. Both India and Russia have been facing the problem of terrorism, being fuelled by Islamic fundamentalists from Afghanistan, Pakistan and some other countries in Central and West Asia. It is common knowledge now how Taliban in Afghanistan posed a major security threat to Central Asian states as well as Kashmir. During Moscow Declaration both sides called for a UN role in resolving Afghanistan imbroglio and organise negotiations under the UN auspices on the draft Comprehensive Convention on

International Terrorism and the Convention for the Suppression of Acts of Nuclear Terrorism. While remaining silent on the issue of unilateral role of the USA in Afghanistan, both India and Russian Federation recognised and reaffirmed the central role of the United Nations in the efforts of international community in the struggle against terrorism. A Moscow Declaration on International Terrorism was agreed upon between Prime Minister Vajpayee and President Putin in November 2001.

India and Russia endorsed their support to preserving the existing arms control and disarmament agreements including the Russo-American Anti-Ballistic Missile Treaty (ABM of 1972). While the Moscow strategic statement does mention the maintenance of current international arms reduction treaty such as ABM (of 1972) it should be noted that the US wanted to scrap it so that it can carry forward its proposed national missile development programme. In a recent declaration the President of US, George Bush, announced to withdraw from the ABM treaty calling it “a relic of the cold war”. It should be noted that during the Moscow Declaration of November 2001 both India and Russia unequivocally supported the existing arms control and disarmament agreements including the (Russo-American) Anti-Ballistic Missile Treaty of 1972. But this failed to create any pressure on the US, which unilaterally backed out of the treaty.

Defence Cooperation

The Soviet Union was the major supplier of India's arms during the cold war. Almost 70 per cent of India's total military imports came from the Soviet Union. Despite the US pressure, Russia would not succumb to its demand to stop supplying weapons to India. The US tried to impose sanctions on the Russian firm Glavkosmos, when it agreed to provide cryogenic rockets to India. The US was also successful in delaying the supply of cryogenic engines to India. But other military contracts continued and the reason being the dire need of funds by Russian military-industrial complexes.

Indian military and defence orders now sustain many industries related to defence in Russia, esp. in St. Petersburg and Irkutsk.[9] India signed a military-technological cooperation in 1994 in the year 2000. This was renewed for another 10 years during Primakov's visit, which now continues till 2010. Between 1992-96, India imported Russian weapons to the tune of 3.5 billion dollars. In 2000-01 the imports are of 800 million.[10] It is estimated that Russia-India military cooperation would touch \$ 5 billion in 2005.

It is believed that during PM Vajpayee's, visit to Moscow, an agreement was signed to purchase the Russian aircraft carrier Admiral Gorshkov and the joint development of a fifth generation strike aircraft which will eventually phase out the MIG-29 and Sukhoi-30 jets to subscribe to sophisticated weapons such as Smerch multi-barrel rocket systems and airborne AWACS system. Even before Vajpayee's visit, India had signed a contract for purchasing the main battle tank 310 T-90s, which is calculated to form an effective counter to the Ukrainian T-80s currently held by Pakistan.

The agreements on military-industrial sphere has thus indicated a new level of cooperation. The Koodnakulam nuclear power plant in Tamil Nadu will now receive tech and financial assistance from Russia.[11] The new agreement provides for construction of two Russian designed 1000 MW

VVER light water reactors. The accord is significant since it breaks a 30-year old western-blockade of nuclear technology supply to India. India will finance 46 percent of the construction cost of about 300 billion with the rest to be credited by Russia.

Economic co-operation.

During the Soviet regime the trade relation with India was based on government sponsored rupee-double credit agreements. But with the disintegration of the USSR the value of rouble plummeted and the problem of fixing exchange rate between the Rouble and Rupee arose. There were mainly 3 problems: first was the mode payment for the past military purchases by India from former Soviet Union; second was part Rupee/part-dollar payments for fresh supplies of military spares; and finally, the most intricate was the mode of reimbursement of a whopping debt of about, Rs. 37,000 crore against India from Soviet Union.[12] India wanted to repay it in a phased manner but due to resource crunch, Russia wanted the entire amount at once.

As a consequence, then India's trade with Russia which was 19.2 % in 1980 -81 fell to 3.3% in 1992-93 and climbed up by 1.3 in 1994-95. Trade in 1996-1998 had been about 3.5 billion. After the Yeltsin visit of 1993, and former Foreign Minister Mr. I.K. Gujral's visit to Moscow in 1997, the rupee-ruble controversy was amicably settled. After 1993, two sides agreed that 63 percent of the debt would be repaid over next 12 years at an interest rate 2.4 percent using the exchange rate of 1 Rouble equal to 19.9 Rs, as it existed on 1 January 1990. This reduced India's debt almost by 32 percent. The remaining 37 percent were to be paid by India over a period of 45 years at the exchange rate of 1 Rouble for 3.1 Rs. The payment was to be made through Indian goods.[13]

Russia agreed to use Rupee fund to pay the equity of joint ventures in two countries. However, India has ceased to be any significant trading partner of Russia. With the erstwhile Soviet Union, India had a trade of 2% of total Soviet trade, which fell to 1.04 % in the mid-90s. This should be placed against, over 17% of Russia's trade with Germany, 11% with China, 5.4% with Italy and 5% with Japan. And if the repayment portion is excluded from the total volume of trade the real amount of trade becomes negligible.[14] Hence, the economic exchanges between India and Russia have dwindled completely in the post-Soviet phase. There is a need to diversify the trade. India should also try to enhance cooperation with the Central Asian Republics since they provide a repertoire of hydrocarbon resources.

Finally, the Indian mindset is still not prepared to embrace West (the USA and its European partners) without suspicion. Though the economic and technological cooperation of India with West is bound to increase, India will still find itself at odds with the West on the issues of virtual elimination of nuclear weapons (including NPT and CTBT), human rights, patent and trade laws, environment, culture, ethnic violence and national security, and last but not the least the issue of Kashmir. Hence it would be in the interest of India to reinforce its ties with the traditional partners and look for new friends in Africa, Asia and Latin America. An improved relation with Russia and China could be propitious for India in the emerging global order.

Endnotes

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