

CHAPTER 1

INTRODUCTION

A. Background of Study

India, ruled by the British Empire from 1858 – 1947, was one of the first new states to emerge from colonial rule after World War II. It emerged as a mid-size power in South Asia after independence under the leadership of Jawaharlal Nehru, the country's first prime minister. Nehru played a critical role in shaping India's foreign policy as he saw considerable potential for power in India and was convinced that India was destined to be a key player in the international system (Nayer & Paul, 2003). India's intent on becoming a major power began after its independence as it focused on self reliance in economic and defense planning. Determination to protect the country from uprising by internal and external forces and a long-term plan to establish the capabilities necessary to meet its goals were fundamental to Nehru's grand strategy. India also asserted its role by pushing several international agendas such as decolonization in Asia and Africa, aid for development in the newly independent states, world peace, the restructuring of the United Nations (UN) and India's interest in a permanent seat on the UN Security Council (Nayer & Paul, 2003).

During its first year as a republic, India played an increasingly role in international affairs, especially in the deliberations and activities of the United Nations. Nehru became world famous as the leading spokesman for the nonalignment movement which was the most fundamental aspect of Nehru's foreign policy. This suggested that other countries should refuse to take sides in an ideological and political struggle between the Union of Soviet Socialist Republics (USSR) and the United States during the Cold War. Indian determination to avoid entanglement with either of these powers became increasingly apparent after the outbreak of the Korean War (1950-1953). Although the Indian government approved the UN Security Council resolution which led to military sanctions against North Korea, no Indian troops were committed to the cause. In its initial attempts at mediation, the Indian government suggested that admitting China to the UN was a prerequisite to a solution

of the Korean crisis. Despite Chinese intervention in the Korean War and India's disputes with China over Tibet, which China invaded in 1950, India continues to hold fast to the idea of nonalignment although it was rejected by the majority of the UN Security Council.

In 1954, the United States initiated a military aid program to Pakistan in order to help modernize and expand Pakistani armed forces. This was the first intervention by a superpower in the subcontinent since World War II and was considered to be a strategy by the United States to contain India as a rival for influence in Asia (Nayer & Paul, 2003). India was forced to pay greater attention to national security issues in response to pressures from both regional and international threats. As a result, India shifted the focus of its foreign policy to national security issues and moved toward closer relations with the Soviet Union, the leader of the communist bloc. The United States' arms supply relationship with Pakistan and the India - China War manifested a different perspective for Indian foreign policy. India had to move away, but not entirely, from global activism through decisions regarding the formal nonaligned movement in 1961 by the Troika of Nehru, Nasser and Tito, choosing to focus on its national security instead. India had to modernize its military capabilities with the assistance of the Soviet Union until the end of the Cold War in 1991.

In the late 1950s India and China began to dispute the ownership of largely uninhabited land along India's northeastern border and in the mountainous areas of northeastern Jammu and Kashmir. Until that time India's relations with China had been generally friendly, and Nehru believed that the territorial dispute could be solved through negotiations. However, the challenge of mapping the area accurately, and the conflicts between the security interests of the two countries, proved more troublesome than Nehru had anticipated. By 1959 Nehru's government sent military patrols into the disputed territory as the conflict had intensified. In October 1962, China led attacks in both disputed areas against the Indian army. India sought Western and military aid, particularly from the United States during President John F. Kennedy's administration. The fighting ended when China unilaterally announced a cease-fire in late November 1962, but continued to occupy some of the territories it had invaded. The crisis precipitated a severe overhaul of Indian defenses, including massive arms procurement and the modernization of its armed forces. These factions alarmed

Pakistan, concerned that its small size and economic capacity, in contrast to India, would put it in a weaker position in the South Asia. India and Pakistan fought three wars in 1947, 1965 and 2001 over the Kashmir issue, at which time the use of nuclear weapons was considered as a possible solution.

In October 1964, China successfully conducted a nuclear test which intensified India's security concerns, given its already weakened economy as a consequence of the India-China War in 1962. Hence, in an effort to lessen pressure from the superpowers, India rejected the Non Proliferation Treaty (NPT), and decided to go through with a peaceful nuclear explosion in 1965, testing nuclear weapons in 1998. India had to defend itself from the potential nuclear threat from China with which it had just fought a war. During this period, India was the only state that had both the incentive and the technical capacity to develop nuclear technology. Therefore, the NPT has been acknowledged by India as a deterrent to prevent India from becoming an independent nuclear state.

After the Cold War, the nonalignment policy became meaningless as the bipolar system disappeared. India had to revise its foreign policy by building relationships with major world powers in the new geopolitical situation. As a result, India, under Narasimha Rao, adjusted its foreign policy by seeking constructive engagement with all the major powers, including the United States as a major arms supplier, Russia, and its principal competitor in Asia, China. However, India's aspiration to become a major power remained, particularly among Indian politicians during this period, which created a contradiction with the United States as the latter was more concerned with having the world conforming to its global preferences. Several actions taken by the United States to deter India's ambitions in becoming a major power included the Comprehensive Test Ban Treaty (CTBT) which was targeted at India's nuclear program and arms supplies to Pakistan. India sought to reduce the tension by continuing its cooperation with Russia and signed a treaty of friendship, cooperation, technology and defensive cooperation. India-China relations also improved as the Chinese government agreed to replace France in the supply of nuclear fuel for the commercial reactor. Despite the improvement in relations as a result of India's engagement policy, China continues to supply nuclear and missile

equipment and technology to Pakistan and has developed a relationship with Myanmar to contain India as a sub-regional player.

The growing impact of globalization had also redefined India's position and role at the regional and global levels. This included economic liberalization, the heart of India's political program under former Prime Minister Rajiv Gandhi, establishing India as an advanced industrial state in the 1980s. The economic crisis was another event that made the international situation a lesser priority for the government under the former Prime Minister. India's economic integration with the rest of the world in 1991 resulted in positive improvements in its economic development, foreign exchange reserves, and foreign direct investment and equity markets (Nayer & Paul, 2003). Furthermore, India was only slightly affected during the Asian financial crisis in 1997 and by the economic sanctions imposed by Western countries after it conducted the nuclear tests in 1998.

Today, 60 years since independence, India's image is that of confident regional power racing to compete with China and western countries. Economic, security and political issues have all been a part of goals in the policies pursued by the Indian leaders. The liberalization of the Indian economy in 1991 has certainly led to economic progress. The economy is currently growing at about 9 per cent a year. India's size, economy, population, highly skilled labor and geo-strategic location made it one of a few nations in the world that has approached major power status in the 21st century.

B. Significance of Study

Since the last decade, India has been the leading power of South Asia and is now surpassing that role to take on a larger global one. India is undeniably one of the strongest candidates for future major power status due to its subcontinent size, large population, economic and military strength, leadership role among the developing countries, and role in international organizations. In the past, India's role has been constrained by external factors such as its wars with China and Pakistan, as well as containment and restriction by international regimes such as the United States.

However, India has been able to build its strategic position through its economic and military capabilities.

The implication of recent development in India has a direct impact on world politics. It is only recently that the world has taken notice of India's economic success. After three post independence decades of meager progress, the country's economy grew at 6 percent a year from 1980 to 2002 and at 7.5 percent a year from 2002 to 2006 (Das, 2006). India's growth made it one of the world's best performing economies. It has been predicted that India's economy will become the world's third largest economy by 2030 behind the United States and China (Wilson, 2007). Currently, India has the world's second largest population, and its population is also expected to exceed China's by 2030. India is undoubtedly a rising power according to several indicators, including status as the world's second largest population, the fourth largest economy in 2000 (in terms of purchasing power parity), the world's largest pool of scientists and engineers after the United States, and more (Nayer & Paul, 2003). In addition, Samuel Huntington foresees that in the coming decades, "India could move into rapid economic development and emerge as a major contender for influence in world affairs" (Huntington, 1996). Its economy is now the 10th largest in the world, and the new Indian middle class is 200 million people strong.

In its hopes for becoming a major power, India has gained special significance through initiation of its nuclear test in 1998 and a steadily performing economy. Both have contributed to change towards India's self-perception, and the world's perception of India. On the economic front, India is still managing the transition from a developing country to a developed one. India's outstanding growth in the IT sector has changed the perception of the Indian economy. To a large extent, India has become the new economic power rising from competing states. In terms of politics, India views itself as a responsible nuclear power state while avoiding nuclear proliferation issues regionally and globally. The recognition of and engagement with India as a strategic partner by both the United States and the European Union (EU) provide an insightful view of the political and economic values India maintains.

Hence, the active role of the interaction between India and major powers in attempting to acquire this status, the prospects of India's integration into the international system, and resulting implications for world politics is currently one of

the most important issues in international relations. But this is an ongoing process and it is important to examine the political and economic values India has supported in the international system. In conclusion, India's success in economic liberalization, integration into the international system in the 1990s and the 1998 nuclear tests have significantly provided benefits and have strengthened India's position in achieving major power status.

Despite several major achievements, India is still facing numerous challenges hampering the pace of its rise. Problematic political developments in South Asia have the potential to keep India tied to its region. Other obstacles include education and health.

This paper will provide an analysis of India's ability to become a major power and the challenges hindering its rise. Thus, we journey to learn whether India could acquire this role in the future as well as gain further knowledge and understanding on this issue.

C. Objective of Study

There are two objectives undertaken in this paper. The first objective is aimed at illustrating how India's rising economic and military power (mainly nuclear weapons capabilities) could help achieve its aspiration to attain major world power status. The adjustment of India's foreign policy from non-alignment policy to that of promoting a greater balance of power will be used by critics to argue that India's foreign policy behavior has been driven by its desire to achieve this status.

The second objective is to clarify India's challenges with regards to implications in world politics. These challenges include India's relations with its neighbor, Pakistan, and external security and energy issues. This report aims to provide a clear viewpoint on how India will address these problems and enter the major power system peacefully in the twenty first century.

This paper intends to provide knowledge for international relations students and those who are interested in learning more about the rise of India as a major power in the 21st century.

D. Scope of Study

As the objective of this paper is aimed at learning about how India could become a new major power in the 21st century, the scope of the study will mainly focus on its foreign policy goal toward economic and military capabilities in achieving major power status. The study period will concentrate on the time after economic liberalization in 1991 until the present, as India appears to be a new major power in the 21st century.

E. Review of Related Literature

The review of related literature will focus on books and articles that provide relevant indications of how India's rising will affect international politics as well as illustrate the role of its new foreign policy conceptual framework to achieve major power status in the future. Every article and book reviewed which will be used in this paper, coming from various authors who provide distinctive perspectives regarding India as a rising major power in the twenty first century.

The first article, written by C. Raja Mohan, is named "**India and the Balance of Power.**" The author states that India's changing role in an attempt to become a major power has caused the world to pay attention to the transformation of Indian foreign policy. According to Mohan, India is not emerging as the alternate state in the global balance of power but it will have an opportunity to play a major role on the most critical issues of the twenty first century, such as the construction of Asian stability and the management of globalization.

The author presents India's foreign policy as it has been transformed in recent years. He claims that new foreign policy in India has been less noticed in comparison with its economic growth, which has been widely discussed. In recent years, India has tried to enhance its regional and international position and to increase its power. India has reshaped its relationships with China and Pakistan, various parts of Asia and the existing superpower, the United States. The author also claims that India has the potential to become a leading state, playing a major role in the resolution of the political disputes over the next few decades.

During the Cold War, the India-US relationship seemed remote. As the United States had supported Pakistan and China, India felt it had to align itself with the Soviet Union. After the Cold War, India tried to engage with the United States under the Clinton administration but was ignored by the United States as the latter was focused on the Kashmir dispute and non-proliferation. Undeniably, the nuclear tests forced the United States to engage India seriously for the first time in five decades. Although, this engagement did not resolve the nuclear issues, the author viewed this engagement as a success story in improving the condition of the relations between the two countries. The transformation in the strategic context of the Indian-US relations under the George W. Bush administration have provided room for a larger role for India as the United States has removed various sanctions, initiated high-tech cooperation, and ended the historical United States bias toward Pakistan. In return, India supported the Bush administration on missile defense, the International Criminal Court and lent support to operations in Afghanistan. The full cooperation between India and the United States on civilian nuclear energy was an effort by Washington to influence India to remain aligned with the United States.

In conclusion, the extent of the countries' shared interests and their political capacity to cooperate will provide the basis for long term strategic cooperation. For instance, the US administration expects that such shared interests in balancing China and countering radical Islam in the Middle East will make India willing to cooperate. The author claimed that the United States has recognized India's potentially critical role in managing global order and security in the future but it is unlikely to become a subsidiary partner of the United States. Thus, assisting India's rise is in the United States' own long term interests (Mohan & Das, 2006).

The article by Ummu Salma Bava "**New Powers for Global Change? India's Role in the Emerging World Order**" examines how India's emerging economic status in Asia and on a global level is redefining its self-image and its perception, leading to a new political role. The author analyzes the interests and motives that guide India's foreign policy and the strategies it has adopted, which have the potential to shape the international order. There are two issues shaping India's rise, including the political image as the world's largest democracy and its growing economic status, which will cause it to emerge as a key economic contender in the future. The author

stated that there are four sets of relationships India is engaging with at the regional and global levels. The first one is the immediate region of South Asia, including states which make up the South Asian Association of Regional Cooperation (SAARC). The second set is the relationship with major powers including the United States, the European Union, China, Russia and Japan. The third set consists of networks including Southeast, West and Central Asian countries. The last set relates to engagement with Latin America and Africa, where India is actively pursuing its energy interests.

Since the nuclear test in 1998, the author stated that there has been a new assertiveness in Indian foreign policy. India is seeking to build strategic political and economic alliances at the bilateral, regional and global level that provide security allocation. During the Cold War, Indian foreign policy was focused on non-alignment. Today, India appears to be pursuing a policy of neo-non alignment as it engages many to meet its different security requirements and to facilitate alliance building. In South Asia, India is engaging its neighbors within a regional framework (SAARC). At the regional level, India is engaging through The Association of Southeast Asian Nations (ASEAN), the East Asia Summit (EAS), the Shanghai Cooperation Organization (SCO) and more. At the international level, India has participated in United Nations programs to promote peace and peace keeping as well as the pursuit of a permanent United Nations Security Council (UNSC) seat.

The author takes notice of India's pursuit of closer ties with its neighbors in the region and with key external actors in the region e.g. China and Japan as means to bring specific and tangible security, political, and economic benefits. Thus, Indian foreign policy looks beyond the neighborhood to secure its economic interests and to enhance its influence and power by increasing bilateral cooperation with world major power states as well as engage and participate in regional arrangements and international organizations (Bava, 2007).

According to the article **"India's Foreign Policy Predicaments,"** written by Subhash Kapila, the author said that the two major developments that have generated India's foreign policy predicaments in the past year were the changes in the United States' policy and international foreign policy after the 9/11 incident. The second issue was related to Pakistan's Islamic Jihadis' armed attack on India's Parliament

House in 2002. India's foreign policy predicaments need to be addressed by a re-evaluation of its major foreign policy relationships and objectives with the United States, Russia and South Asia region (Kapila, 2002).

The article by Ingolf Kiesow and Nicklas Norling "**The Rise of India: Problems and Opportunities**" tried to examine the factors in India's domestic, foreign and security policies which are important for its ambitions as an emerging great power, but with a scope limited to its potential alliance options. The background of this article is based on the initiation of Indian-US contacts in various fields of strategic importance where the focus is directed to five questions. The first question is, "What factors have led India to hold great power ambitions?" The second is, "How powerful are these ambitions?" The third is, "What factors complicate India's ambitions?" The fourth is, "What are India's weak points?" The last question is, "What are the options in forming alliances and what problems will an alliance partner have to face?" The authors claimed that the decisions that India makes will prove to have great consequences. This relates not only to the future balance of power in the region, but also to its domestic problems and safeguards of energy supplies. As India's importance on the world stage increases, other states will give more importance and consideration to its responses.

The book named "**India: Government and Politics in a Developing Nation**" written by Hardgrave and Stanley provided extensive knowledge related to decision-making in Indian foreign policy. Decisions are made within the context of a broad national consensus on national interests and policy goals. The consensus is also one of the major constraints on Indian foreign policy. The concept of non-alignment is viewed by the Indian as a pragmatic policy of independent action and it remains as the foundation of India's foreign policy. However, the collapse of the Soviet Union and the end of the Cold War has made non-alignment become irrelevant. India responded by seeking to broaden its economic and strategic ties and strengthen relations with Europe, Southeast Asia and Japan.

The authors stated that the 1998 nuclear tests and India's declaration as a nuclear weapon state (NWS) was caused by the major concern regarding its national security in relation to external security threats, particularly that of China. In addition, India's decision to develop nuclear potential came as a response to its isolation in the

1971 Indo-Pakistan war and its increasing dependency on the Soviet Union. The tests were also an assertion of national pride, self respect and equal status with China among world powers. With the end of the Cold War, India placed new importance on economic growth while maintaining its nuclear weapons program. The authors view domestic strength which consists of political stability and economic prosperity as the basis of national security. They also claim that the greatest challenges to India's security are internal, consisting of secessionist movements in Kashmir, the communal divide between Hindus and Muslims, and the rising demands of competing groups in an economic competition (Hardgrave, 2001).

F. Conceptual Framework

This paper applies the realist model to explain state behavior through its foreign policy in economic and military areas in relation to the international system. The realist framework is one of the major concepts in the study of international relations, as it relates to the major power system. Realism holds true to the belief that international system is anarchical due to the lack of a central authority to govern the system, where states are the only major actors. States are confronted by security issues which lead to a struggle for power among nations in order to assure their own security and survival. However, changes in relation to a state's goals, economic strengths, technology innovations, alliances and enemies in the international system lead to the need for continuous adjustment of foreign policies to balance itself with other major powers. For instance, India is currently engaging the United States and its rivals, Pakistan and China, on several issues ranging from economics to security. This coincides with the findings of Nayar and Paul as they claimed, based on realist theory, the international system is basically a near oligarchy of the major powers (Nayar & Paul, 2003).

G. Hypotheses of Study

1. India's rising economic power and increased military capability, including nuclear weapons, has the potential to help India achieve major power status in the 21st century.
2. Change in India's foreign policy from nonalignment to alliances with other major powers has facilitated India's ability to achieve major power status.
3. Several problems India is currently facing will pose a delay in its rise to become a major power.

H. Research Methodology

This paper uses a descriptive analytical approach in order to clarify India's ability to achieve major power status. The study is based on documentary research including both primary and secondary sources which will be used to describe and analyze India's capabilities with regard to its foreign policy as it focuses on achieving major power status. The primary sources are the Department of State documents and speeches and statements released by Indian government agencies. Apart from official sources, the research was also focused on secondary sources including books and academic journals that provide details with regards to India's rising as a potential new major power. Various official documents, articles and publications used in this paper came from online journal websites as well as governmental websites.

I. Presentation Format

Chapter 1: Introduction

This chapter contains the background of study, significance of study, objective of study, scope of study, conceptual framework, hypotheses of study research methodology and presentation format.

Chapter 2: India's economy and military, notably nuclear capabilities, in regard to its foreign policy after the 1990s.

The chapter examines India's foreign policy, with reference to its strength in economic and military capabilities, as a strategic tool for its ambitions in becoming a major power. In addition, two global contexts will also be considered in this paper which would provide implications for India's foreign policy in the international order as it engages the world: US hegemony and globalization. This paper will also investigate the transformations in Indian-US relations as a strategic partnership, along with other major powers, in this period of globalization which has led to a network of interdependence in economic, political and security spheres.

Chapter 3: India's challenges toward the achievement of major power status

This chapter will evaluate factors India is currently facing that have complicated and weakened its ambitions in becoming a major power. The report will also identify the challenging paths ahead for India with reference to opportunities and constraints that hinder its role to acquire the major power status.

Chapter 4: The road to major power status: the challenges facing India

This chapter will examine factors that should be taken into consideration toward the rise of India which may hinder its ability to transform itself into a major global power. The report will identify both international and domestic factors.

Chapter 5: Conclusion

This chapter will summarize the overall picture of this study concerning the main issue presented in the previous chapters through the analysis of this paper.